



DOWNING COLLEGE CAMBRIDGE

ANNUAL REPORT AND ACCOUNTS

for the financial year ending 30 June 2020



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DOWNING COLLEGE, CAMBRIDGE CB2 1DQ

Patron: HRH The Duchess of Kent, GCVO

Visitor: The Crown

MEMBERS OF THE GOVERNING BODY

Master: Mr Alan Peter Bookbinder BA (Oxon) MA (Harvard) MA

The Fellows of the College (in order of Election) as of 1 October 2020

Graham John Virgo MA BCL (Oxon) QC (Hon), Fellow in Law, Professor of English Private Law, University Senior Pro-Vice-Chancellor (Education) (1989)
David John Wales MA PhD ScD FRS FRSC, Fellow in Chemistry, Professor of Chemical Physics (1989)
Christopher Allim Haniff MA PhD, *Fellows' Steward*, Fellow in Physics, Professor of Physics and Deputy Head of Department (1993)
Nicholas Coleman BSc MB ChB (Bristol) PhD FRCPath FMed Sci, Verjee Fellow in Medicine, Professor of Molecular Pathology (1994)
Adam Noel Ledgeway BA (Salford) MA (Manchester) PhD (Manchester) FBA, Fellow in Italian, Professor of Italian and Romance Linguistics (1996)
Ian Richard James MA MA (Warwick) PhD (Warwick), Fellow in Modern and Medieval Languages, Reader in Modern French Literature and Thought (1996)
Zoe Helen Barber MA PhD (Rutgers), *Vice Master*, Fellow in Materials Science and Metallurgy, Professor of Materials Science (2000)
Sophia Demoulini BA (Wooster) MSc (Minnesota) PhD (Minnesota), Fellow in Pure Mathematics (2000)
Ian Gareth Roberts BA (Wales, Bangor) MA (Salford) PhD (Southern California) LittD FBA, Fellow in Linguistics, Professor of Linguistics (2000)
Michael Trevor Bravo BEng (Carleton) MPhil PhD, *Internal Auditor*, Brammer Fellow in Geography, University Senior Lecturer at the Scott Polar Research Institute (2001)
David Robert Pratt MA PhD FRHistS, *Fellow Archivist*, *Keeper of Art and Artefacts*, Fellow in History (2001)
Liping Xu, BSc (Beijing) PhD, *Graduate Tutor*, Fellow in Engineering, University Lecturer in Turbomachinery (2004)
Paul Derek Barker BSc (Imperial College London) MA DPhil (Oxon), *Tutor*, Fellow in Chemistry, University Senior Lecturer in Chemistry (2004)
Guy Barnett Williams MA PhD, *Senior Tutor*, *Safeguarding Officer*, Darley Fellow in Clinical Neurosciences, Assistant Director of Information Processing at the Wolfson Brain Imaging Centre (2004)
Natalia Mora-Sitja BSc (Barcelona) MA (Barcelona) MSc (Oxon) DPhil (Oxon), *Tutor*, Fellow in History, University Senior Lecturer in Economic History (2005)
William O'Neill BSc (Essex) MSc (Essex) PhD (Imperial), *Tutor*, Stephen Peel Fellow in Engineering, Professor of Laser Engineering (2006)
Amy Louise Milton MA PhD, Ferreras Willetts Fellow in Neuroscience, University Senior Lecturer in Experimental Psychology (2007)
Brigitte Steger MA MPhil (Vienna) PhD (Vienna), Fellow in Asian and Middle Eastern Studies, Senior Lecturer in Modern Japanese Studies (2007)
Jie Li BS (Wuhan) MS (Paris) PhD (Paris), Fellow in Engineering, University Lecturer in Fluid Dynamics (2009)
Keith James Eyeons MA MA (Nottingham) PhD, *Chaplain*, *Praelector*, *Secretary to the Governing Body*, Fellow in Theology (2010)

Robert Keith Harle MA PhD, *Dean*, Fellow in Computer Science, University Reader in Computer Science (2010)

Timothy James Burton MA MB BCHir PhD FRCP, *Tutor*, Oon Fellow in Clinical Medicine, Clinical Lecturer in Translational Medicine & Therapeutics (2010)

Marta Morgado Correia BA (Lisbon) PhD, *Graduate Tutor*, Fellow in Biological Sciences, Senior Investigator Scientist at the MRC Cognition and Brain Sciences Unit (2010)

Kamran Yunus BSc (Bath) MA PhD (Bath), *Admissions Tutor*, *Tutor*, *Senior Treasurer to the Boat Club*, Fellow in Chemical Engineering, Technical Officer at the Department of Engineering and Biotechnology (2012)

John Stuart Richer MA PhD, *Tutor*, Fellow in Physics, Professor of Physics (2013)

Sarah Lilian Kennedy BA (Melbourne) LLB (Melbourne) PhD, *Fellow Development Ambassador*, *Senior Treasurer of the Downing Dramatic Society*, Fellow in English (2013)

Monica Moreno Figueroa BA (UIA Leon) MA (London) PhD (London) MA, Fellow in Social Sciences, University Senior Lecturer in Sociology (2014)

Brendan Plant BEc (Sydney) LLB (Sydney) MSc (LSE) PhD, *Fellow Editor*, Hopkins Parry Fellow in Law (2014)

Ewan James Jones BA MPhil PhD, *Graduate Tutor*, *Fellow Librarian*, Fellow in English, University Lecturer in Nineteenth-Century Literature (2015)

Michael Crisp MEng PhD, *Tutor*, *Internal Auditor*, Fellow in Engineering, University Lecturer in Phototonics and RF Systems (2017)

Nicholas Rawlinson BSc (Monash) PhD (Monash) MA, Fellow in Earth Sciences, BP Foundation McKenzie Professor of Earth Sciences (2017)

Zoe Kourtzi BSc (Crete) MA (Rutgers) PhD (Rutgers) MA, Angharad Dodds John Fellow in Cognitive Neuroscience, Professor of Experimental Psychology (2017)

Joanne Claire Finnie Jones MA (Aberdeen), *Development Director* (2018)

António Ferraz de Oliveira BA MA (Warwick) PhD (Warwick), *Graduate Tutor*, Whitworth Research Fellow in Geography (2018)

Frisbee Candida Cheyenne Sheffield BA (Bristol) MPhil DPhil (Oxon), *Tutor*, *Silver Auditor*, Octavius Augustus Glasier Collins Fellow in Classics (2019)

Joseph Webster MA (Edinburgh) MSc (Edinburgh) PhD (Edinburgh), *Graduate Tutor*, Fellow in Anthropology (2019)

Josephine (Josie) Anna Eleanor Hughes HMA MEng MRes PhD, Mays Wild Research Fellow in Engineering (2020)

Alison Deirdre Jane Scadden MSc (Otago) PhD, Fellow in Biochemistry (2020)

Gavin John Flynn MA (Oxon) MBA (INSEAD) MSc (LSE), *Senior Bursar* (2020)

Bjoern Neumann BSc (Würzburg) PhD (Würzburg), Kim and Julianna Silverman Research Fellow in Biomedicine (2020)

Michael Ashby BA MA MPhil *Senior Treasurer of the Amalgamation Club*, Williams Downing Fellow in Economics (2020)

Neda Farahi BSc (Edinburgh) PhD, Fellow in Natural Sciences and Medical and Veterinary Sciences (2020)

William Day BA (Durham) MA BCL (Oxon), Fellow in Law (2020)

Lucy Winifred Whelan BA MSt (Oxon) DPhil (Oxon), Graham Robertson Research Fellow in History of Art (2020)

Retirements and Resignations 1 July 2019–30 September 2020

Jerome Ronald Simons BSc (Johns Hopkins) BA (Johns Hopkins) MPhil (Oxon) (resigned 2020)

Amy Catherine Goymour MA BCL (Oxon) (resigned 2020)

Ruth Ellen Nisbet BSc (UCL) PhD (resigned 2020)

Paul Christopher Millett MA PhD (retired 2020)

William Mark Adams MA MSc (London) PhD (retired 2020)

Catherine Lynette Phillips BA (Queen's) MA (Toronto) PhD (retired 2020)

Susan Elizabeth Lintott MA PhD (Kent) (retired 2020)

Alicia Hinarejos BA (Valencia) MPhil (Valencia) BA (UNED) MJur MPhil DPhil (Oxon) (resigned 2020)

Andrew Nicholas Holding MChem (Oxon) PhD MRSC FHEA (resigned 2020)

Robert Hoye BE (Auckland) PhD (resigned 2020)

OTHER FELLOWS

The Honorary Fellows

Giles Skey Brindley MA (London) MD FRS
Sir Francis Graham Smith MA PhD FRS
Sir Arnold Stanley Vincent Burgen FMedSci FRS
Sir Alan Bowness MA CBE
Dame Janet Abbott Baker CH DBE
Sir Trevor Robert Nunn BA CBE
Godfrey Michael Bradman FCA
Sir Colin Brian Blakemore MA ScD FRS FmedSci FRSB
FBPhS
Martin John Kemp MA FBA
Richard John Bowring MA PhD LittD
David Stanley Ingram BSc MA PhD ScD OBE VMH FRSE
Sir Quentin Saxby Blake MA CBE FCSD FRSL RDI FRA
The Rt Hon Lord Collins of Mapesbury LLd FBA
Sir David Anthony King ScD HonFREng FRS
The Rt Rev'd Nicholas Thomas Wright MA DPhil DD
Sir John Pendry MA PhD FInstP FRS
Sir William Brian Vickers PhD DLitt FBA
Aitzaz Ahsan MA Barrister at Law
Professor John Lawrence Cardy MA PhD FRS
Howard Eric Jacobson MA
The Rt Hon Sir Kim Martin Jordan Lewison MA
Air Chief Marshal Sir Stuart Peach BA MPhil GBE KCB
ADC DL
The Rt Hon Lord Lloyd-Jones MA LLB
The Rt Hon Sir Richard George Bramwell McCombe MA
Professor Barry John Everitt BSc (Hull) MA
PhD (Birmingham) ScD DSc FRS FMedSci
Michael Apted BA CMG
Martin Baker MA FRCO
Stephen Chambers MA RA
Caroline Elizabeth Wilson MA MA (Bruxelles) CMG
Professor Geoffrey Grimmett MA (Oxon) DPhil (Oxon)
DSc (Oxon) ScD FRS
Keith Ajegbo BA MA OBE
Martin Maiden MA MPhil PhD FBA
Ritchie Neil Ninian Robertson MA DPhil FBA
Victoria Susan Brignell MA

The Emeritus Fellows

Alfred Thomas Grove MA
Ian Bonar Topping MA
Robert John Richards MA PhD
Charles Harpum MA LLB LLd
Martin Joshua Mays MA PhD
Philip Huson Rubery MA PhD ScD
Margery Ann Barrand BSc (London) PhD (London)
Richard Michael Smith BA (London) MA (Oxon)
PhD FBA
Stafford Withington BEng (Bradford) PhD (Manchester)
Peter James Duffett-Smith MA PhD
Peter David Evans MA PhD ScD
Paul Frederick Linden BSc (Adelaide) MSc (Flinders)
PhD FRS
Richard Keith Taplin BSc (LSE) MA MBE
John Stuart Landreth McCombie MA MA (McMaster)
PhD
Trevor William Robbins CBE MA PhD FRS
Kenneth McNamara BSc (Aberdeen) PhD
David John Feldman MA DCL (Oxon) PhD FBA FRSA
Trevor William Clyne MA PhD FREng
Paul Christopher Millett MA PhD
William Mark Adams MA MSc (London) PhD
Catherine Lynette Phillips BA (Queen's) MA (Toronto)
PhD
Susan Elizabeth Lintott MA PhD (Kent),
Director of the Heong Gallery

Foundation Fellows

Humphrey William Battcock MA
MBA (London Business School)
Tadayoshi Tazaki MA
Alwyn Wai-Yin Heong MA BA BM (Oxon) BCh (Oxon)
MBA (Chicago)
Kim Silverman MA PhD
Herbert (Hugh) Brammer MA OBE

The Wilkins Fellows

Julian Robin Darley MA FEng
Richard Alexander Frischmann MA
Christian Flemming Heilmann MA
The Lord Verjee MA CBE
Richard Anthony Williams MA
Jonathan Howard MA
Christopher John Bartram MA FRICS
Maria Ferreras Willetts MA (Oxon)
Robert John MA DLitt (Swansea)
Louise Arnell BA MA (Open) MA (Sussex)
Robert Markwick MA MBA (Manchester)
James Simon Edward Arnell MA
Stephen Mark Peel MA MAS (Yale)
Christopher Harborne MA MEng MBA

The Fellows Commoner

David Chambers BA (Oxon) MSc (LBS) MSc (LSE)
PhD (LSE)
Timothy Rawle MA
Peter Thompson MA (Emeritus)
Gabrielle Bennett BA (Virginia) MA
Penny Furniss MA
Simon Walker MA

Bye-Fellows

Richard Berengarten MA
Alexander Bleistein BA
Sabine Cadeau BA MA PhD
Matthew Carter BA MA MB BChir
Andrew Cockburn MSci PhD
Andrej Corovic MA MB BChir MRCP
Justin Davies MA MChir FRCS
Eoin Devlin BA (Dublin) MLitt (Dublin) MPhil PhD
Buffy Eldridge-Thomas BA
Paula Heister MA MSc DPhil
Vicky Jones MA MB BChir MRCS
Joshua Kaggie BSc MSc PhD
Patricia Laurenson PhD
Lucia Li MA MB BChir
Yongcan Liu BA (Guangdong) MA (Guangdong)
Mphil PhD
Kathleen Liddell BSc (Melbourne) LLB (Melbourne)
MBioeth (Monash) DPhil (Oxon)
David Lowe MA ARAM, *Director of College
and Chapel Music*
Deepti Marchment BA MA MChir
Aram Mooradian AADIPL PGDIP ARCH ARB
John Morgan *Praelector*, BA MSci MA PhD
Lisa Mullen PhD
Thomas Oliver BMedSci MBBS
Jill Pearson BA VETMC MRCVS
Prerona Prasad BA MA MPhil DPhil
William Schafer PhD FMedSci FRS
Franziska Sielka PhD
Ellie Standen PhD
Gareth Taylor BA MA PhD
Nanase Shiota MSc MMG
Xin-She Yang MSc (USTC) DPhil (Oxon)



OFFICERS AND PRINCIPAL PROFESSIONAL ADVISERS

Master: Mr Alan Peter Bookbinder BA (Oxon) MA (Harvard) MA

Senior Tutor: Dr Guy Williams, MA, PhD

Senior Bursar: Mr Gavin Flynn MA (Oxon) MBA (INSEAD) MSc (LSE)

Actuaries

Cartwright Consulting Ltd
Mill Pool House
Mill Lane
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Architects

Caruso St John
1 Coate Street
London E2 9AG

Robert Lombardelli Partnership
St. Luke's House
5 Walsworth Road
Hitchin, Herts SG4 9SP

Auditors

PEM
Salisbury House
Station Road
Cambridge CB1 2LA

Bankers

Barclays Bank
9–11 St Andrew's Street
Cambridge CB2 3AA

Property Managers

Carter Jonas LLP
6–8 Hills Road
Cambridge CB2 1NH

Property Valuers

Carter Jonas LLP
6–8 Hills Road
Cambridge CB2 1NH

Securities Managers

Partners Capital LLP
5 Young Street
London W8 5EH

Solicitors

Stone King LLP
3rd floor, Bateman House
82–88 Hills Road
Cambridge CB2 1LQ

Hewitsons LLP
Shakespeare House
42 Newmarket Road
Cambridge CB5 8EP

Marks & Clerk LLP
62–68 Hills Road
Cambridge CB2 1LA

Inland Revenue Charity No: X2938

Charity Registration No: 1137455



REPORT OF THE GOVERNING BODY



REPORT OF THE GOVERNING BODY

This Report provides the context within which to interpret the Accounts. The first section explains the College's charitable objective, its governance, its public benefit, and the way it is funded. The second section reviews the specific activities and achievements of the year to 30 June 2020 and developments since the year-end.

CHARITABLE OBJECTIVE

Downing is a self-governing, autonomous College within the University of Cambridge. Our charitable objective is to further the public good by promoting learning, study, and teaching in a community of Fellows, students and staff. We believe in the transformative power of a world-class education. Downing is a place of welcome, of diversity and of inclusion.

Founded in 1800, the College takes its name from Sir George Downing, 3rd Baronet, who bequeathed his fortune to establish a new college in Cambridge. It is the 17th oldest of the University's 31 Colleges, the 'newest of the old and the oldest of the new.' Originally founded for the study of law, medicine, and moral and natural science, the College now accepts students in all subjects taught at the University.

Built in an elegant neo-classical style, Downing was the first College designed with an open campus layout, at that time a striking departure from the tradition of enclosed courtyards in the older Colleges. The spaciousness of the College encourages the open-mindedness necessary to prepare students to be good citizens; it also signals accessibility and a desire to reach out.

With over 200 years of history, set amidst 20 acres of magnificent grounds in the heart of the city, the College continues to be a community of committed scholars and students, current and future leaders in their fields.

GOVERNANCE, STRUCTURE AND MANAGEMENT

The College is a lay eleemosynary corporation established by Royal Charter. It was registered with the Charity Commission on 12 August 2010 (Registered Number: 1137455) following the removal of the exempt status of the Colleges of Oxford and Cambridge on 1 June 2010. The arrangements for governance of the College are set out in the Statutes.

The trustees of the College are the Fellows who constitute the Governing Body. They are responsible for ensuring that the College meets its charitable objective to promote learning, study and teaching. Because the College is responsible for directing studies and arranging student supervisions, the Governing Body focuses much of its attention on the students' academic experience and welfare, as well as overseeing the College's finances and premises. Through their membership of committees and their participation in Governing Body meetings, students are able to influence decision-making.

Members of the Governing Body are required to act with integrity, to act in the College's interests without regard to their own private interests, and to manage the affairs of the College prudently, balancing long-term and short-term considerations. They are chosen, after interview, on the basis of excellence in their teaching and research, their commitment to providing direction of studies and supervisions across the subjects offered by the University and their



willingness to take a full part in the life of the College. Some Fellows take on additional roles as Tutors advising students on pastoral matters. They serve until the earlier of retirement or the end of the academic year in which they reach 67 years of age. New Fellows are trained in the fulfilment of their duties.

The Master is Chairman of the Governing Body; the Senior Tutor has overall responsibility for the admission, education and welfare of students; the Senior Bursar has overall responsibility for the finances, the estate, and the administration of the College. Both the Senior Tutor and the Senior Bursar are accountable to the Governing Body.

The Governing Body meets eight times a year and discharges its responsibilities through a network of standing committees dealing with Education, Finance, Buildings & Environment, Fellowships, Development, Investments and General Purposes. Representatives of the JCR and the MCR participate in these committees, with the exception of the Fellowships Committee. Sub-committees deal with HR, Health & Safety, Diversity, the Heong Gallery, Information Management, Student Facilities and Staff Consultation. A Remuneration Committee, consisting of three external members, decides on the remuneration of current or former members of the Governing Body. During periods of intense fundraising, a Campaign Board including external members acts as a steering group.

Although the College is a legally autonomous body, it operates within the federal structure of the University. Matters of common concern are discussed and acted on through a system of University-wide committees, such as the Colleges' Committee, of which all Heads of Houses are members, the Senior Tutors' Committee, which is chaired by the Vice-Chancellor, and the Bursars' Committee. These committees work through the building of consensus.

PUBLIC BENEFIT

The Governing Body has complied with its duty to have due regard to the Charity Commission's public benefit guidance.

In order to meet our charitable objective of furthering the public good by promoting learning, study, and teaching in a community of Fellows, students and staff, we seek to provide a world-class education to the students with the most potential in each subject, whatever their means, social background, or nationality. We aim to attract the best applicants from the widest range of schools and colleges, actively supporting the University's widening participation targets, as agreed with the Office for Students.

Downing students have access to several sources of financial support – for bursaries, including rent bursaries, in case of financial hardship, for the purchase of books and equipment, attendance at conferences, travel and studentships. The sources are trusts, general College funds, and the Cambridge Bursary Scheme. Under the latter scheme, which is operated together with the University and other Colleges, students whose household income is below £25,000 receive a maximum grant of £3,500 per year, and those with incomes of up to £42,620 receive amounts that taper down to £300. The College also refunds rent on longer residential agreements on a sliding scale to students whose household incomes fall between £40,000 and £62,212. The College administers a scheme funded by the COSARAF Charitable Foundation to support with up to £2,000 a year Muslim students at Cambridge suffering financial hardship.

The College seeks to help meet the University's targets, agreed with the Office for Students as Cambridge's Access and Participation Plan, to admit students from disadvantaged backgrounds and areas of low academic attainment. As part of the University's Area Links Scheme, Downing works with state secondary schools, Further Education Colleges and Sixth Form Colleges in Cornwall and Devon. Organised by the School and College Liaison Officer (SCLO), the

programme, which includes visits to schools, residential courses in Cambridge, Open Days, Admissions Fairs and webinars, encourages students who may otherwise not consider higher education to look at all the university options available to them. The SCLO collaborates with the JCR, the Admissions Tutor, Fellows, and staff to deliver these events. Our partnership with Villiers Park Educational Trust has helped able Year 12 students from disadvantaged backgrounds in Plymouth to gain places at leading universities.

Increasingly, the College's outreach activities have focused on raising the aspirations of younger students. We recognise the importance of encouraging them to be enthusiastic about learning from an early age, raising their aspirations and supporting them to apply to highly-selective institutions with the confidence that they are capable of achieving the required grades and gaining a place.

COLLEGE FUNDING

The College funds its activities from academic fees, charges for student residences and catering, income from its conference and functions business, its investments, and donations and bequests.

Since 2012–13, the undergraduate tuition fee has been paid either by the students themselves or on behalf of the students through the Student Loan Company. The Colleges collect these fees and pass half of their value to the University. The Colleges admit, matriculate and accommodate undergraduates, provide supervisions for them, take responsibility for their pastoral care and present them for degrees. The University provides lectures and laboratories, and examines and classifies students. The portion of the tuition fee going to Colleges only partly covers the real costs of offering the small-group teaching that Cambridge Colleges provide. The shortfall has to be made up by other sources of income.

Since 2014–15, the fee due from postgraduates is a proportion of a single fee charged by the University. The fee is calculated according to a complex formula that assigns weightings to different categories of postgraduate student.

Students living in College accommodation pay rent and, if they wish, buy food and drink from College outlets. This stream of income typically amounts to just under 30% of the total.

Through its subsidiary, Downing Cambridge Conferences Limited, the College has built a substantial commercial business, which consists of conferences, corporate functions and international summer schools. In a normal year, profits from this business amount to around 19% of the College's total income.

Donations and legacies from alumni and friends of the College typically amount to around 20% of our total income. Investment income from our relatively modest endowment normally contributes a further 7–8%.







THE YEAR IN REVIEW



THE YEAR IN REVIEW

THE PANDEMIC – A YEAR LIKE NO OTHER

The Covid-19 virus has made unprecedented demands on the College community and caused us serious financial losses.

The effect of the national lockdown imposed in March 2020 was immediate, as the University and Colleges closed all but essential operational buildings and transferred teaching, research and examinations online. In accordance with government advice, almost all students returned home, while those whose homes were unreachable or unsuitable for studying stayed in College. At Downing, 70 students were accommodated in College, some for many months, and were well looked after by a skeleton staff of porters and caterers. Many of the College's medics and scientists were on the front line of the pandemic, delivering patient care and undertaking new research.

All College teaching was successfully moved online for the Easter Term. Final-year students did their examinations online without encountering serious problems; results were significantly better than in recent years. Students based at home rallied during lockdown to keep themselves connected and entertained virtually; particular highlights were the JCR's 'LockDowning' forum, a series of MCR seminars that continued in virtual form throughout the spring, and Evensong by Zoom. However, the College remained largely empty through a glorious spring, and the loss of May Week, graduation ceremonies and the normal summer celebrations was deeply felt, especially by final-year students.

We were also unable to celebrate the 40th anniversary of the admission of women to the College with the range of in-person events that we had planned; online alternatives took their place. Particularly impressive was the virtual exhibition curated on the College website by our archivist, Jenny Ulph, drawing on memories and photographs of more than fifty former students and Fellows.

The University and Colleges worked together through a matrix of committees and taskforces to ensure a consistent and co-ordinated response to the pandemic. Matters including teaching, assessment, graduation, admissions, buildings, accommodation and catering were dealt with collaboratively through these channels. A recovery taskforce identified a range of possible scenarios, depending on whether the pandemic subsided, continued at the same intensity, or returned in repeated waves. The implications of each scenario on the student experience, research, staff, buildings, digital infrastructure and finances were considered.

In College, staff were mobilised to prepare for the new academic year by risk-assessing the entire College and making our indoor spaces Covid-secure, with a particular focus on ensuring that existing and additional supervision rooms were safe to work in. Attractive new Covid-compliant outdoor areas were created – the 'Taverna' behind the Butterfield cafe and the 'Amphitheatre', complete with a stage, on the Paddock.

Student accommodation ballots were re-run in the light of new rules for student households and taking into account the additional number of Freshers admitted as a result of Ofqual's botched handling of the 2020 A-level results. Detailed communications were sent to new and returning students to explain how Covid guidance would apply to them and to ease their anxieties about living and studying in College. Around 50 international students were successfully quarantined for two weeks in time for the start of Michaelmas Term.



The challenge as Michaelmas Term began was to achieve the right balance between keeping the College community safe and creating a positive educational and social experience for the students. As the national prevalence of positive tests increased in student age groups, we correctly anticipated that significant numbers of households would need to be isolated for 14 days. Strains were put on the community by differences in attitude among the student body, from those who were seriously anxious to those who were relaxed, even cavalier. However, the University-wide system of asymptomatic testing of all students living in Colleges was instrumental in identifying students carrying the virus and isolating them promptly.

The financial impact of the pandemic was serious: almost all student rents for Easter Term were lost; all conferences, corporate functions and summer schools were cancelled from March 2020 onwards; income from the retail properties the College owns in Cambridge was severely reduced; and the value of our endowment ebbed and flowed in line with international markets. To offset these losses, we were fortunate to receive a substantial unrestricted legacy that allowed us to record a small surplus for the 2019-20 year. However, the budget for 2020-21 anticipates a deficit of £2 million.

The College made extensive use of the government's furlough scheme to keep as many staff as possible in employment, but by the summer of 2020, with much of our commercial activity cancelled for the foreseeable future, the College was forced with much regret to review its staffing needs. After extensive staff consultation, the outcome was that out of a total staff of 186, 20 people were made redundant (mainly in the catering and housekeeping teams), 5 took voluntary redundancy, 3 took voluntary career breaks, and 54 accepted what we hope will be temporary reductions in their working days or hours. The savings made, net of redundancy costs, amounted to around £922,000. Understandably, as well as being a blow to the individuals concerned, the redundancies adversely affected morale across the College.

Another unexpected consequence of the pandemic was the cancellation of A-level examinations. Candidates for university holding conditional offers were assigned grades by an algorithm and admitted or rejected accordingly. Within a few days, the algorithm was shown to be faulty and the Department of Education decided to revert to grades predicted by schools. This meant that very nearly all candidates rejected by the algorithm won a place, leaving the Cambridge Colleges with considerably more successful candidates than normal. Across the University, the surplus was around 400, of whom 20 went on to matriculate at Downing in October 2020, an additional challenge to the College's ability to teach, house and take care of its students.

FELLOWS

Away from the pandemic the normal cycle of College life continued. Four new Fellows were admitted on 4 October 2019: Dr Frisbee Sheffield, an expert in Greek and Roman philosophy, was elected to a Fellowship in Classics; Dr Joseph Webster, who had formerly held a Research Fellowship at Downing, returned to take up a position as a University Lecturer in the Study of Religion and was elected as Fellow in Anthropology; Dr Robert Hoye became the first holder of the Kim and Julianna Silverman Research Fellowship, working on the application of new materials for low-cost production of photovoltaics; and Mr Jerome Simons joined as College Teaching Officer in Economics.

The end of the academic year saw the retirement of four long-standing Fellows:

- Dr Paul Millett, Fellow in Classics, Vice Master and formerly Admissions Tutor for many years, leaves an indelible mark on the social and intellectual life of the College;
- Dr Susan Lintott, Senior Bursar for 23 years, whose influence and creativity extended far beyond purely financial matters, made a uniquely valuable contribution to Downing and leaves a splendid legacy across the College;

- Professor Bill Adams, Fellow in Geography and Downing alumnus, acted as the conscience of the College, particularly in caring for the Domus and holding us to high standards in environmental matters;
- Dr Cathy Phillips, Fellow in English, a dedicated, compassionate teacher, a wise and humane tutor and a determined advocate of the humanities.

We were sorry also to lose five other Fellows: Ms Amy Goymour, alumna and Fellow in Law, took up a similar position at Jesus College; Dr Ellen Nisbett, Fellow in Biochemistry, moved to the University of Nottingham; Dr Andy Holding, also a Fellow in Biochemistry, moved to the University of York; Dr Alicia Hinarejos, Fellow in Law moved to McGill University; Dr Robert Hoye, Silverman Fellow, moved to Imperial College; and Mr Jerome Simons, College Teaching Officer in Economics, resigned his post.

In their place, seven new Fellows were elected in the course of the year:

- Dr Dee Scadden, Fellow in Biochemistry, is the Director of Digital Learning in Biochemistry, the Director of Technology-Enabled learning across the School of Biological Sciences and the Director of Teaching in Biochemistry.
- Mr Gavin Flynn, Senior Bursar, comes from the travel and hospitality sector and brings to Downing extensive finance and strategy experience, backed up by strong analytical and communication skills. He has experience teaching at Lausanne University and serves on the Board of a not-for-profit company that provides services to schools.
- Dr Bjoern Neumann is the new Kim and Julianna Silverman Fellow, working at the Cambridge Stem Cell Institute on the ability of stem cells to regenerate injured or diseased organs.
- Dr Michael Ashby is the new Williams Downing Fellow and College Teaching Officer in Economics. His research is into how asset return predictability affects asset pricing and portfolio construction.
- Dr Neda Farahi, Fellow in Biology, is Senior Research Associate in the Department of Medicine. Her research is into the role of innate immune cells in respiratory diseases.
- Mr William Day, Fellow in Law and a Downing alumnus, practices commercial law at the Bar, following four years as a solicitor in London.
- Dr Lucy Whelan, our new Graham Robertson Fellow, is an art historian specialising in modern art in France and Germany. Her current research is on European art and the environment at the end of the Second World War.

All seven were admitted as Fellows on 1 October 2020.

The achievements of members of the Fellowship were recognised within the University, their professional societies and beyond. Professor Graham Virgo was re-appointed as the University's Senior Pro Vice-Chancellor. Professor David Wales was awarded a Humboldt Research Prize by the Alexander von Humboldt Foundation. He also received the Inaugural ICRéDD Award, commemorating Professor Akira Suzuki, and was appointed International Chair of the Institute for Artificial Intelligence, Cote d'Azur. Dr Joe Webster was awarded a Philip Leverhulme Prize. Professor Zoe Kourtzi received a Royal Society Industry Fellowship. Dr Sarah Kennedy was shortlisted for a CUSU Teaching Award. Dr Robert Hoye received the Sir Henry Royce Medal from the Institution of Engineering and Technology and the Rising Star Award from the Waterloo Institute for Nanotechnology. Dr Liping Xu won the Best Paper award at the ASME Turbo Expo Technical Conference in Phoenix, Arizona.

Sadly, two College Bye Fellows passed away during the year. Dr Alex Morris, a popular supervisor and Director of Studies in Economics and a keen supporter of Choral Evensong in Downing Chapel, died peacefully in October 2019. Dr Michael Wakelam, Director of the Babraham Institute and a much-respected leader and colleague, died with Covid-19 in March 2020.

Four new Honorary Fellows were admitted in 2019-20: alumnus Sir Keith Ajegbo, former Head Teacher of Deptford Green School in London and government advisor on diversity in education; alumna Victoria Brignell, a producer on Radio 4's *In Our Time* and Chair of Disability Action; and two former Fellows, Professor Ritchie Richardson, Taylor Professor of German Language and Literature at Oxford, and Professor Martin Maiden, Professor of the Romance Languages at Oxford.

As a mark of gratitude to three exceptionally generous donors, the College elected as Foundation Fellows Kim Silverman in July 2019 and Hugh Brammer in February 2020 and admitted Chris Harborne as a Wilkins Fellow in September 2019.

Further information is shown in section 3 of the College Statistics and Financial Highlights.

UNDERGRADUATES

At the beginning of the 2019-20 academic year, of the total number of 473 undergraduates across all years at Downing, 57% were men and 43% women; 78% were from the UK, 8% were from the EU and 14% from the rest of the world; of those schooled in the UK, 62% were from state schools and 38% from the independent sector.

The College had received 746 applications for entry in 2019-20, 89% of whom were interviewed. 170 offers were made and, following examination results, 127 offers were confirmed, including two who came through the Adjustment process. This was operating for the first time, allowing to be reconsidered applicants with three out of five contextual flags who had not been offered a place after interview, but who had gone on to achieve the standard Cambridge offer.

Downing's popularity with applicants has continued to grow, with 949 candidates for entry in 2020 and 1,197 candidates for entry in 2021. Competition for our usual 128 undergraduate places grows ever more intense.

In considering whether to make an offer, the Colleges take into account contextual data ('flags'), such as geodemographic data, including Output Area Classification (OAC) and Participation Of Local Areas (POLAR) (the record on progression to higher education); data on the school's performance at GCSE and previous success in sending students to Cambridge or Oxford; and individual circumstances (for example, whether an applicant has been in care or their schooling has been disrupted by, for instance, difficult medical or personal circumstances). Nevertheless, all candidates must meet the terms of the standard offer. In 2019-20 Downing was close to, but just short of, Cambridge's average intake of candidates with such 'flags'.

This was an unusual year for examination results, in that the pandemic prevented finalists from sitting examinations in the normal way. In many cases, students sat examinations at home, over a longer period, with access to books and the internet. This means that results are not strictly comparable with those of previous years, but it is worth noting that, as happened across the University, Downing achieved a much higher percentage of First Class results than normal, a much lower percentage of 2:2s and no Thirds at all. First and Second Year students were largely excused examinations altogether.

While the College is happy to celebrate the unusually high number of excellent results, it would be prudent for us not to conclude that this year's exceptional results have reversed our recent gradual decline in the College tables.

Further information is shown in section 1 of the College Statistics and Financial Highlights.

POSTGRADUATES

Downing has a total of 494 postgraduate students, many of whom live on site and participate actively in College life. Of these, 61% are men and 39% women; 43% are from the UK, 15% from the EU and 42% from the rest of the world; 168 are studying for a PhD, of which 85 are NOTAF (probationary PhDs); there are 105 studying one year courses (including 64 MPhils, 13 full-time MBAs, 9 PGCEs, and 2 LLMs) and 43 clinical medics and vets. An increasing number of students combine study with careers - this year, there are 40 Executive MBA students, who study at the Judge Business School for 16 weekends and four one-week sessions. A further 27 students are enrolled in the MSt Real Estate, and 12 in the MACC Masters in Accounting, both part-time courses. There are also 99 students who are writing-up.

In 2019-20, 14 students were awarded PhDs: Arts and Humanities (1), Biological Sciences (5), Clinical Medicine (1), Humanities and Social Sciences (1), Physical Sciences (3), Technology (3).

Membership of a College encourages the contact across disciplines that is not available in academic departments. The College provides a tutorial service through its postgraduate tutors, who help with pastoral and welfare matters. With the expansion of the postgraduate population, Downing's on-site accommodation is over-subscribed, and with this in mind, work began this year to convert 90-92 Regent Street into 23 postgraduate rooms. Students are also able to take advantage of the College's facilities: the Library, the Sports Ground, the Gym and the Boat House. Postgraduate representatives attend meetings of the Governing Body and the committees that are relevant to the postgraduate experience.

Further information is shown in section 2 of the College Statistics and Financial Highlights.

STUDENT WELLBEING

The mental health of students continues to be a significant concern. Among the factors that continue to distress some students are the intensity of the eight-week terms, the very high standards that they set themselves, the stresses of living away from home, pre-existing mental health conditions, relationship difficulties, struggles with deadlines, loneliness, feelings of missing out or falling short and imposter syndrome, and in this troubled year the extra pressures caused by lockdown and enforced isolation. The traditional tutorial system that provides pastoral care has once again been under strain, and specialist counselling, though enormously helpful, is heavily over-subscribed. The College has drawn on an additional nurse and an extra day of College-based counselling. Plans to recruit a Head of Wellbeing have progressed, with an appointment made in October 2020. Many students find mindfulness sessions and yoga classes useful. Throughout the undergraduate year, there was a programme of wellbeing events, with petting zoos and the weekly free Keith's Cafe, hosted by the Chaplain, providing drinks, doughnuts and companionship. Downing's beautiful grounds continue to be a source of solace and relaxation.

GENDER EQUALITY

40 years after the admission of women undergraduates to Downing in 1980, the College continues to suffer from a gender imbalance in several areas: the trustees of the College currently comprise 15 female Fellows and 30 male Fellows (2019-20 – 17 female, 31 male); female undergraduates constituted 43% of the total in 2019-20 and 46% in 2020-21, well below the University average; female postgraduates constitute 39% of the total in 2020-21.



The College continues to take positive steps towards closing the Gender Pay Gap, which it is committed to eliminating. In 2019, when figures were last calculated, women were paid 8% (mean) and 8.6 % (median) less than men were paid per hour, a reduction from the 2018 gaps of 14.9% (mean) and 14.2% (median). At that time, 60% of relatively less well-paid posts were occupied by women and 40% by men. Wherever operationally feasible, the College encourages flexible working patterns in order to help employees combine a career with domestic and other responsibilities.

Although all 18 Masters since the College's beginnings in 1800 have been men, this year for the first time a woman, Professor Zoe Barber, was elected Vice Master. In 2019-20 the two Fellows with the highest College remuneration were women, and women occupied the following 15 positions carrying significant responsibilities: Senior Bursar, Development Director, Academic Registrar, Head Porter, Director of Engagement and Development Operations, College Librarian, College Archivist, College Secretary, HR Manager, Domus Manager, Facilities and Procurement Manager, Heong Gallery Curator, Accommodation Officer, Communications Officer and Bar Manager.

This year the Heong Gallery's three major exhibitions featured exclusively women artists in Barbara Hepworth, Yoko Ono and WE ARE HERE: *Women in the Visual Arts in Cambridge Colleges 1920–2020*.

RACIAL EQUALITY

Disappointingly, events around the globe triggered an increase in racist episodes in Cambridge. Firstly, in the early days of the Coronavirus outbreak, a number of Downing students from East Asia were the target of racist abuse in College and in town. Secondly, the Black Lives Matter movement's outrage at the brutal killing of George Floyd in the USA found a strong echo in our black and minority ethnic students' experience of racist micro-aggressions. The College has long since committed itself to outlawing discrimination of all kinds; this year we felt compelled to issue an anti-racism statement and a plan of action. Measures to be taken include:

- better education in racial awareness for students and staff;
- clearer reporting routes for racist incidents and swifter remedial and disciplinary action;
- establishment of a standing committee to address diversity issues and a Downing BAME Forum to ensure issues around racial justice are fully aired;
- greater use of our exhibition spaces to reflect BAME experiences;
- re-examination of our recruitment practices to increase the diversity of our staff;
- access to Cambridge's BAME counselling staff to address the specific psychological stresses experienced by BAME students;
- further exploration of opportunities to decolonise the curriculum and the academic resources available to students in College.

ACADEMIC LECTURES AND STUDENT SOCIETIES

The Biennial Oon Lecture, organised by the College in collaboration with the Clinical School, was given in February 2020 by Professor Richard Henderson, Nobel Prize winner in Chemistry and group leader at the MRC Laboratory of Molecular Biology. His lecture was entitled 'Structure-based Drug Design Using Electron Cryomicroscopy'.

Before the pandemic struck, the many talks organised by our ten academic student societies included: Rear Admiral Neil Morisetti on the national security aspects of both climate change and the coronavirus pandemic (Brammer Society - Geography); Professor Lee Cronin on discovering the origin of life and aliens using complex molecules (Danby Society - STEM); Professor Samita Sen on gendered mobility in contemporary India (Maitland Society - History); Professor Richard Bourke on Edmund Burke's principle of revolution (Maitland Society - History); writer and film-maker Jocelynne Scutt on women's experiences of class (Blake Society – Arts & Humanities); model and influencer Char Ellesse on how people with marginalised identities navigate the arts (Blake Society – Arts & Humanities); Dr Graham Gudgin with an alternative view on the potential impact of Brexit (Mathias Society - Economics) and Dr Viqar Qurashi on life as an amputee in the developing world (Whitby Society – Medical & Veterinary).

DRAMA

Pre-pandemic, the Dramatic Society staged performances of: *The Tempest*, re-casting its central characters to explore the challenges of modern identity; *William Shakespeare's A Christmas Carol*, imagining the Bard's take on Dickens' classic; and the Freshers' Play, *The Lower Depths* by Maxim Gorky, an ensemble piece that showcased the College's new acting and directing talent. The 6th annual *Festival of New Writing* attracted a record number of high-quality submissions from budding student playwrights.

For some years, the Dramatic Society's students and the *Festival of New Writing's* applicants have been mentored, encouraged and chivvied along by professional writer Steve Bennett, with excellent results. This year the Fellows were pleased to appoint him as our first Director of Drama to formalise the significant role he plays.

MUSIC

The annual Freshers' recital in the Master's Lodge exceeded its already high standard with a varied programme including classical guitar, a string trio, solo piano and a range of talented singers. The Downing and St Catharine's Music Societies worked together to form chamber ensembles that performed in the Heong Gallery pieces chosen in response to the Barbara Hepworth exhibition showing there. Lent Term saw an exceptional piano recital by first-year music student Ellis Thomas, and a memorable piano and guitar recital by Newnham's Leora Cohen and Downing's Declan Hickey. Members of the Chapel choir extended their traditional repertoire of sacred music with a recital of mainly secular choral pieces. In addition, the Jazz Band has been a regular and welcome presence in the JCR Bar. Student performances were supplemented this year by a series of recitals by young professional musicians invited to Downing by our Director of College and Chapel Music, David Lowe.

SPORT

As with other activities, College sport was restricted to the Michaelmas and Lent Terms. Defending their Cuppers title from last year, the first Rugby XV eased into this year's final, which was cancelled due to lockdown and so the title was shared. In rowing, it was the women's teams that excelled - W1 took the Lent Headship for the first time since 2013, and W2 took their blades, with five bumps over four days. Both our Table Tennis team and our Badminton First team won their Division 1 titles and the Hockey team won their Division 2 title.



At University level, Blues were awarded to Beatrice Fishwick (powerlifting); Will Silver (Hockey); and Miles Huppatz, Charlie MacCullum and Oliver Smart (all Rugby Union). Half-Blues went to Panna Chauhan (Ultimate Frisbee) and Charlotte Handford (Volleyball). Colours were awarded to Faith Borland (Hockey); Jessie Shea (Lacrosse); Izzy Taylor (Cross Country); and Nikki Payne and Freya Robson (both Football). Until it was cancelled, Callum Sullivan was due to row in the Boat Race for a second time, and he will be back on the Thames as Captain of the University Boat Club in 2021.

THE HEONG GALLERY

In just four and a half years the Gallery has made an outstanding artistic and educational impact on student life and has achieved a high profile in the cultural life of Cambridge. It continues to facilitate opportunities for academic research, collaboration and outreach, in the form of talks, symposia, and workshops exploring the exhibitions' themes. The catalogues promulgate academic work and extend the reach of research by contributors who have included classical scholars, literature specialists, sociologists, and art historians. The Gallery's immersive environment enables pedagogical innovations that would not otherwise be possible.

The added value to our students of living with exhibitions by acclaimed artists has become clear, with the opportunity to see, to reflect, to debate, to enjoy and to discover. Students attend talks, symposia, film screenings and book launches, and organise their own events: music recitals, installations, and the popular student-led After Dark series on Wednesdays during term. The Gallery supports their wellbeing, as a low-pressure communal place where they can go to unwind and reflect. It also offers access to art to students from backgrounds in which they will not have had access to exhibitions such as these. In addition, the Gallery's programme of educational tours and school visits supports the College's work in widening participation.

This year's exhibitions, symposia and events included:

- YOKO ONO SKY PIECES 15 June–10 October 2019
- BARBARA HEPWORTH DIVIDED CIRCLE 15 November 2019–2 February 2020
- WE ARE HERE *Women in the Visual Arts in Cambridge Colleges 1920–2020*
1 March 2020–24 May 2020
- YOKO ONO LOOKING FOR... Symposium (3 October 2019)
- Hepworth Day Symposium (25 January 2020)
- WE ARE HERE Symposium (22–26 June 2020)
- 'Counting in Clouds' choreographed by Hilary Goodall (29 September 2019)
- *The Big Draw: Drawn to Imagine* (6 October 2019)
- Cambridge Film Festival: Environmental Documentaries (20–21 October 2019)
- *Navigating Caviar* zine launch (28 November 2019)
- Solstice Eve (21 December 2019)
- Pink Week Sketch 'n' Sip Life Drawing (6 February 2020)
- *Hurricane Bells* pop-up exhibition by Peter Shenai (8–16 February 2020)

THE ESTATE

In response to pressure for accommodation from the increasing number of postgraduate students and Research Fellows, the College has continued to create new residential rooms. Work was completed in September 2019 to refurbish and extend 26–28 Lensfield Road with the addition of 11 rooms, and a similar project at 30–32 Lensfield Road was undertaken over the summer of 2020. A larger-scale initiative to convert the commercial premises we own at 90–92 Regent Street into 23 new student rooms began in July 2020 and will be ready before the end of Michaelmas Term 2021. New Fellows' accommodation has been created by converting the pottery studio at the back of the Master's Lodge, and remedial work to the Rose Garden flat following damage caused by subsidence has restored another Fellow's set. Improvements to student facilities include refurbishment of L staircase, replacement of ageing laundry equipment with free machines, and new gender-neutral toilets in the Library.

New landscaping work progressed in the Rose Garden, with the removal of unsafe greenhouses and construction of a new pond and paving; when complete, this new study garden will complement the West and East Lodge gardens. Sadly, our 150-year old Blue Atlas cedar tree, an iconic part of the Downing landscape, succumbed to disease; its passing was marked by a ceremony orchestrated by the Dramatic Society, and there are plans for parts of its healthy timber to be re-used for a permanent piece of outdoor sculpture.

In order to facilitate Covid-secure student eating and drinking, an outdoor 'Taverna' was constructed behind the Butterfield café, complete with parasols and heaters and socially-distanced tables. The Paddock became an 'amphitheatre' with a stage and a screen, for events such as matriculation gatherings, film nights and live music; white circles, spaced two metres apart, ensured that individuals and households remained at a safe distance from one another.

Looking further ahead, our architect Adam Caruso is progressing with detailed designs for a new Student Centre, including spaces for collaborative working, entertainment, relaxation and prayer, as well as social spaces, a café, and bar. A full planning application will be submitted in early 2021, but it may be that the financial constraints caused by the pandemic will slow the flow of fund-raising needed to realise this attractive building. We may need to have similar patience with implementing the College's master plan for the estate, which brings even bolder long-term ambitions, expanding our accommodation capacity substantially and improving our sporting facilities to protect the College's heritage for generations to come and support our vision to be a world-leading educational establishment.

ENVIRONMENT

Downing was the first College to sign the Cambridge Climate Change Charter on 19 February 2008 and has remained at the forefront of environmental initiatives. We are firmly behind the recently launched Cambridge Zero carbon project. In 2018, we committed to divesting from direct holdings in carbon, and we offset our indirect holdings with new investments in sustainable energy.

In 2019-20 we developed an environmental strategy that committed to:

- Minimising the consumption of carbon-rich energy and water;
- Operating effective waste management and recycling procedures;
- Encouraging modes of transport that minimise adverse environmental impact;
- Applying environmentally sustainable purchasing policies, including total supply chain and whole-life-costing techniques;
- Participating in energy conservation programmes, such as Green Impact, and Student Switch-Off.



The following initiatives have recently been adopted:

- Introducing quarterly 'green metric' reports;
- Replacing laundry equipment with highly efficient machines;
- Reducing the use of chemicals and battery-driven tools; using only organic fertilizer;
- Planting more hedge, pollen- and nectar-rich plants and meadows to encourage wild-life;
- Increasing use of double-glazed and draught-proofed windows;
- Continuing roll-out of LED lighting;
- Eliminating single-use plastics in favour of fully compostable Vegware containers;
- Increasing choice of plant-based options on College menus;
- Identifying suitable sites in College for additional roof-top photo-voltaic arrays.

This year, the College agreed to host the Centre for Climate Solutions under former Master Sir David King and College Bye-Fellow Dr Ellie Standen. Their research is focused on greenhouse gas removal, climate repair and preparations for the international COP26 meeting in November 2021. In 2020, the Centre employed four Downing students as summer interns.

WIDENING PARTICIPATION

One unexpected upside of Covid-19 came out of the need to cancel our entire programme of face-to-face outreach events with disadvantaged secondary school pupils. In the place of such events, the College provided support to a wider range and larger number of potential applicants through a series of webinars. These had several advantages: they allowed for easy and free access online; unlimited numbers could participate, including parents and teachers; more Fellows and Directors of Studies could speak; there were no safeguarding issues; sessions could be recorded, stored for future use or sent out on request; and no time or money needed to be spent on travelling to in-person events.

In total, Downing devised and hosted 21 90-minute webinars between March and August 2020, with a total of 1,809 students attending online. These included a mixture of topics: an overview of admissions; Cambridge explained; student life; a virtual tour of Downing; an academic taster session; student finance and budgeting; a personal statement workshop; and interview advice. In addition, new subject-based webinars were aimed at potential applicants in Year 12, offering advice on how to apply and help to determine whether a particular course was right for them. In their feedback, 85% of the students gave the webinars a score of 8/10 or above.

DEVELOPMENT AND ALUMNI RELATIONS

Donations to the College recorded in the Accounts totalled £7.0 million in 2019–20. Of this, £3.9 million comprises legacies that have yet to be fully realised. Exceptional gifts included a donation to endow and name a Fellowship in Geography; £1 million for postgraduate students in computer science from Japan; and support for a post-doctoral post in the Department of Oncology. We are also grateful to alumni who responded so quickly and generously to our Covid-19 appeal, helping to mitigate some of the losses resulting from the pandemic.

The College's outreach programme received a major gift to establish a series of subject-specific summer schools and Open Days. Law alumni in the UK and internationally (particularly in Singapore) continue to support College-based supervisions and the tutorial system with gifts in memory of the late John Hopkins. The new Centre for Climate Solutions has received significant support from individuals and corporate partners.

The Development and Alumni team ran a series of successful events in 2019 and early 2020 and a social media campaign celebrated 40 Years of Women in the College. The Master chaired an alumni panel event in London on the Economics of Uncertainty, and a capacity event in the Howard Theatre on the Climate Crisis with former Master Sir David King and Claire Perry O'Neill. He also attended gatherings generously hosted by alumni in Hong Kong and New York City. The pandemic meant that reunions and in-person events had to be cancelled, but as events moved online, more alumni around the world were able to participate. The annual telethon was held in September 2019; the participation rate is 13% for former undergraduates and 11% for all former students. Uncertainty due to the pandemic has also caused the launch of the new fundraising campaign to be delayed into 2021.

This year brought the sad news of Honorary Fellow and alumnus Dr Alan Howard's death on 24 June 2020, aged 91. Alan's contribution to the College via the Howard Foundation was immeasurable; without his exceptional generosity we would not have the Howard Court, encompassing the Howard Building, the Howard Theatre and the Grace Howard Room. He maintained his close interest in Downing until the end; we mourn his passing.

The College adheres to the highest industry standards on fundraising practice, is registered with the Fundraising Regulator and complies fully with the Code of Fundraising Practice. Most of the College's fundraising has been carried out by in-house fundraisers employed directly by the College; the exceptions are the Alumni Association and the Segreants Trust, who work closely with the Development team. All alumni communications include an opt-out of fundraising approaches. The College does not seek to raise funds from people in vulnerable circumstances. Two complaints were received during the telethon relating to the time of the phone call, rather than the approach itself.

Further information is shown in section 4 of the College Statistics and Financial Highlights.

PLANS FOR THE FUTURE

Covid-19 is going to cast a long shadow. The earliest we can realistically expect relief from the pandemic, whether from a vaccine or a lasting decline in infections, is the spring of 2021, meaning that the College community will have been seriously disrupted for a full year, quite possibly more. We can function reasonably well on *Zoom* and *Teams*, but we cannot thrive. It is our face-to-face supervisions, our physical presence in the lab, our academic talks, our formal events and our informal gatherings, the way we share College spaces and mix socially, eating and drinking and talking together, that define us and sustain us as a community. All of that will need to be recreated and restored.

Financially, too, we need to restore stability. Having enjoyed many years of steadily growing the estate and nurturing our beautiful buildings and grounds, our sudden loss of income and our anticipated deficit of £2 million in 2020-21 mean we will have to prioritise the essential over the nice-to-have. The trustees are aware that the core educational needs that are at the heart of our charitable purpose will have to be our main priority. Our ambition to build a new student centre remains intact, but we may not be able to achieve this at the speed we previously expected.

Additionally, we may not have heard the last of changes to the way universities are funded. The government may look again at reducing tuition fees, which would be good news perhaps for students, but potentially damaging for Colleges, for which the current fees cover barely half of the cost of educating our undergraduates. Our reliance on commercial income and philanthropic support can only increase at a time of uncertainty for both. Unknown, too, are the eventual financial consequences of the UK leaving the European Union.

Nor have the challenges that the College faced before Covid-19 gone away. Compared to the University of Cambridge average, Downing's undergraduate intake from the UK still skews male (56%) and our state-school population (62%) remains relatively low. Despite our valiant efforts to widen participation, on most measures we fall short relative to many other Colleges, on recruiting students from disadvantaged backgrounds. In recent years, notwithstanding many excellent individual successes and the surprise success of our 2020 finalists, our overall academic performance has been comparatively disappointing. At the same time, the demand from students for pastoral help and mental health services continues to grow beyond the supply currently available.

Downing hasn't survived and persevered for over 200 years without meeting the historical challenges of world wars and economic depressions, so we need not be dispirited now. It will take many of our best qualities to restore our fortunes: inventiveness in our strategy, collaboration across our community, flexibility in our actions, generosity in our donors, and both determination and leadership from our trustees.



THE FINANCIAL REVIEW



THE FINANCIAL REVIEW

The accounts that follow consolidate those of the College and its wholly-owned subsidiaries, Downing College Developments Limited, Downing Cambridge Conferences Limited, and The May Ball Company Limited.

SIGNIFICANT POLICIES

Reserves

1. Total Net Assets stood at £202.1 million at 30 June 2020. Of this amount, £157.2 million represents the net book value of the buildings, including the Revaluation Reserve of £35.2 million. As functional fixed assets, they cannot be spent as income. Continuing investment by the College in its buildings, in excess of depreciation, has caused this figure to increase and correspondingly reduce free reserves. However, opportunities, such as the acquisition of property on the College borders, do not always arise when they are affordable, but are nevertheless strategically necessary. Of the remaining £44.9 million, £40.6 million consists of Permanent Restricted Endowment, and £4.5 million is attributable to the revaluation of works of art. At 30 June 2020, therefore, free reserves (General Reserve less pension liability of £2.6 million) stood at negative £0.3 million (2019: £0.6 million).
2. In formulating the reserves policy, the Governing Body has taken into account the guidance offered by the Charity Commission in its publication Charity reserves: building resilience (CC19)* and carefully considered the factors that cause variations in income and sudden calls on cash. These are: student numbers; changes in the funding of higher education and the apportionment of tuition fees; the susceptibility of the conference business to corporate cutbacks and geopolitical events; the volatility of the investment portfolio caused by movements in world markets and unanticipated rental voids; and the impact on donations and benefactions of insufficient staff resource. The Governing Body has also considered examples of historical unanticipated expenditure, in particular those that have arisen from problems in the fabric of the buildings, e.g. dry rot, or responses to changes in the law. The Reserves also support any liability arising under FRS 102, Section 28 from the USS and CCFPS final salary pension scheme for staff (2020: £2,581,063; 2019: £2,742,757).
3. The Governing Body therefore considers the assessment of whether the College has sufficient reserves should take into account a range of factors: annual operating expenditure met from unrestricted funds, capital expenditure, working capital needs, unanticipated expenditure on repairs, known opportunities of uncertain timing (e.g. refurbishment projects), the level of essential expenditure that can be supported by returns from restricted funds, the level of unapplied total return, liquidity within the investment portfolio, the cash flow effect of the pension liability, and the likelihood of increased employer pension contributions.
4. Recommendations to the Governing Body for the adoption of the annual budget, the five-year plan, or major incremental expenditure take into account these factors. The current level of free reserves at negative £0.3 million is likely to worsen once the conversion of 90–92 Regent Street is completed; however, the Governing Body does not consider this currently to be a problem, as the College has access to various sources of liquidity, including cash on hand from the recent private placement, raising funds in fundraising campaigns and realising unrestricted investment assets. Furthermore, the reserves that represent the net book value of the buildings are designated by the College as such; however, in extremis, apart from the inalienable listed buildings on the Domus, the remainder of these reserves could be realisable.

*<https://www.gov.uk/government/publications/charities-and-reserves-cc19>



Investment Principles

1. The College may invest in securities and in real or personal property. (See Statute XLVII, approved by Her Majesty in Council on 19 July 2005, and superseded by the full set of statutes approved on 9 May 2006). Since 1 August 1957, the College has operated an Amalgamated Fund made under the Universities and Colleges (Trusts) Act 1943, in which permanent capital, expendable capital, restricted funds (including trusts), and unrestricted funds hold units. Since 1 July 2010, the units of the Amalgamated Fund have also been invested in the College's commercial property portfolio.
2. The College manages its investments in securities and property to produce the highest return consistent with the preservation of capital value in real terms for the long term, net of costs and withdrawals to support its operating needs. A subsidiary aim is to enhance the value of the capital for future beneficiaries.
3. The Investment Committee sets the overall asset allocation and appoints advisors and managers. On 1 August 2009, the College appointed Partners Capital to advise on and manage the securities portfolio. Such appointments are reviewed at five-yearly intervals or in response to specific problems or opportunities. The review considers the risk/return parameters that have been given to the managers, whether these parameters still accord with the College's investment objectives, the performance benchmark resulting from these parameters, and the long-term investment objective. Following a review in 2014, the College decided to retain Partners Capital, but adjust the risk levels within the portfolio. The five-yearly review which should have occurred in 2019 to renew Partners Capital's appointment was deferred for two years until 2021.
4. For the securities portfolio, the goal implies a time-weighted net return target, comprising inflation, plus a spending rate of c. 4%, measured on a five-year trailing basis. The Investment Committee has set an additional goal of outperforming, net of all investment expenses, a composite benchmark, which comprises the sum product of the Strategic Asset Allocation and performance of each constituent asset class benchmark.
5. Risk in the securities portfolio is measured by a) Equivalent Net Equity Beta (ENEB) and b) the volatility of returns. Both of these metrics are assessed against the composite Strategic Asset Return benchmark. That benchmark currently reflects an expected return of 6.7% with a standard deviation of 12.6% and an ENEB of 75%.
6. The current strategic asset allocation and benchmarks by which performance is judged consists of Equities: 32%, MSCI ACWI NR with Developed Markets 100% Hedged to GBP Index; Fixed Income: 11%, FTSE A British Government All Stocks; Hedged Funds: 17%, HFRI Fund of Funds Composite; Cash: 1%, UK three-month LIBOR Index; Inflation Linked Bonds: 3%, FTSE A (Index Linked) British Government All Stocks; Commodities: 3%, S&P Goldman Sachs Commodity Index; and Private Equity: 33%, State Street All PE Index (lagged 3 months). For the benchmark performance allocation, the allocation to private equity is held at its portfolio weight with the shortfall reallocated to public equities, whilst the portfolio's private equity allocation ramps up to its target level of 33%.
7. Tactical Allocation ranges were cash: 0–5%; Fixed Income: 0–18%; Hedge Funds: 5–35%; Equities: 20–65%; Private Equity: 10–40%; Commodities: 0–6%; and Inflation Linked Bonds: 0–10%. Portfolio rebalancing is normally undertaken on a quarterly basis to re-align asset allocations to targets.

8. The Investment Committee monitors the liquidity in the securities portfolio and has set a limit on illiquid financial assets. New agreements to purchase such assets will not be executed if the aggregate market value of all such illiquid assets exceeds 43% of the aggregate market value of the value of the securities portfolio.
9. The currency hedging policy is managed through foreign currency forward contracts to target 60% Sterling exposure, which has no currency risk to the College, with 40% remaining unhedged foreign currency exposure in a combination of US dollars, Euro, Yen and Emerging Market Currencies. It is applied across all investment assets, both liquid and illiquid.
10. The custodian for the majority of the securities is Union Bancaire Privee (London) S.A.
11. The College's property portfolio is managed by Carter Jonas LLP. Routine decisions are taken by the Senior Bursar, acting on advice from Carter Jonas and the law firm Hewitsons. In the case of commercial property, the investment analysis must demonstrate an acceptable commercial yield. For any investment in external residential property for use by the College's students, the net yield must be positive, with the prospect of an appropriate capital gain. Such purchases must also take account of the College's overall liquidity and income requirements.
12. The College's spending rule is designed to smooth spending and reduce the effect on income of fluctuations in market performance. The amount of return recognised in the *Consolidated Statement of Comprehensive Income and Expenditure* is equal to the weighted average of the prior year's spending adjusted for inflation measured by RPI + 1% (70% weight) plus the amount that would have been spent using 4.5% of the prior year's closing value of the investments (30% weight). In formulating this rule, the College had regard to the unapplied total return on invested funds. The unapplied total return stands at £15,821,000, which, since 1 July 2007, includes returns from commercial property. The Committee reviewed the spending rule in November 2019.
13. Given the relatively small size of its investment portfolio, the College must balance the need for stability in value with that for superior long-term returns. The College has adopted a strategic asset allocation designed to reduce the volatility of returns through a diversified portfolio of non-correlated assets, embracing some illiquidity in order to provide a suitable trade-off between risk and return. The asset allocation, liquidity, and the expected risk/return profile of the portfolio are regularly reviewed by the Investment Committee. Although the portfolio is well-diversified and takes into account the risk-adjusted returns of each asset class and its role within the portfolio (e.g. volatility reduction, provision of income, return enhancement, deflation hedge, or inflation hedge), the turmoil in the financial markets towards the end of 2008 resulted in most asset classes being affected negatively with assets with long historical trends of low correlation to each other moving in tandem. The College responded by conducting a detailed and careful analysis and concluded that its strategy is sound, but that implementation should be through the use of a third-party specialising in multi-asset class investing. During more-recent financial turbulence, the portfolio has behaved according to the modelling that informed its construction.
14. All investments, including the parameters for the investment of cash, are overseen by the Investments Committee, with day-to-day management delegated to the Senior Bursar. Membership of the Investment Committee currently consists of three members of the Finance Committee and six external members with professional expertise. The Investment Committee reports to the Governing Body, which is responsible for authorising major changes of strategy, the appointment of fund managers, and all direct holdings of property.
15. This statement was last revised in November 2020.



Ethical Investment

The College continues to keep under review its duty in regard to the ethical investment of its funds. In line with the findings of the Harries case (Bishop of Oxford v. Church Commissioners, 1992), the overriding principle guiding the College's investments is the financial return of the portfolio, unless such investments are contrary to the charity's aims. However, the Charity Commission (CC14) also acknowledges that, in some instances, a charity might accept lower returns if it might 'lose supporters or beneficiaries if it does not invest ethically'. Categories of exclusion that may fall within the definition of activities that are contrary to the charity's aims are companies whose activities violate human rights, the environment, and best practice in social and stakeholder matters. In 2018, the College adopted a policy of Controlled Divestment of investments in companies engaged in fossil fuel extraction, investing only in tracker funds that exclude those companies and offsetting any residual exposure in illiquid funds with investments in clean technology. The College employs a firm of advisors that provides a range of pooled funds in which to invest. The Investment Committee is responsible for decisions on asset allocation, but does not select individual stocks. This model limits the College's ability to influence investment decisions in particular sectors; however, the managers are aware of areas of concern and regularly interrogate the holdings in the pooled funds. Partners Capital is a signatory of the UK Stewardship Code; its Stewardship Statement is informed by the United Nations' Principles for Responsible Investment. The College is a signatory to the Global Investor Statement to Governments on Climate Change.

Tax

As a UK charity, the College is not subject to taxes on income or capital gains. It also holds 501(c) (3) status in the USA, which means that it is recognised as a non-profit organisation and, therefore, exempt from US Federal Income Tax. To the extent that it holds investment assets in offshore vehicles, it does so to reduce the administrative costs of portfolio management, but only in jurisdictions that have signed up to the Common Reporting Standard, an information standard for the automatic exchange of tax and financial information on a global level.

Risk Management

The Governing Body's Risk Management Register is kept under active review. Each committee routinely considers the risks inherent in its area of responsibility and has advised the Governing Body on the probability of occurrence and the likely impact, together with the steps taken in mitigation. Although risks can be identified and plans to deal with such risks formulated, the College is nevertheless exposed to a variety of risks, some of which cannot be addressed through insurance. The age of the estate, parts of which are 200 years old, means that problems inevitably occur, sometimes without warning and often at great expense. Annual results can be affected by large swings in student numbers, principally in the postgraduate community and mainly because of multiple applications and the uncertainty of funding. Many of the College's operations are affected by volatility in the financial markets and by recession in the real economy, the effects of which are hard to mitigate. All operations have been, and would be again, impacted by a pandemic. The College has made an appropriate plan to minimise anticipated problems. An increasing dependence on cloud-based systems brings with it known and unknown risks, which will require a greater emphasis on cyber security. Harm to the fabric of the buildings from atypical weather is a harbinger of the longer-term damage and disruption caused by changes in the climate.

Underpinning the sustainability of all activities is the need for financial resilience. The relatively small size of the endowment leaves our funding for operations vulnerable to disruption in the stock market and the world economy, as well as the immediate risks posed by Brexit and Government challenges to tuition fees. Lack of resources could prevent the attraction of high-quality staff and the research-active academics who are essential to the proper provision of teaching, as well as reducing further required investments to achieve our mission.

FINANCIAL REVIEW

Income and expenditure

The total surplus for the year was £4.8 million, compared with £1.8 million last year, but this figure includes new endowments and restricted donations, as well as gains on investments. The Unrestricted column in the accounts measures the efficiency of operations and this year showed a profit of £0.7 million, but this included an unrestricted legacy of £1.6 million and a pension credit related to USS of £0.5 million following the latest valuation, both of which helped to mask the financial losses incurred due to the Coronavirus pandemic.

Unrestricted income and expenditure

The unrestricted income of the College before donations is made up of academic fees (34%), charges to students for accommodation and meals (28%), conference income (22%), income from the College's investment assets (11%) and other sources (5%). This income amounted to £10.3 million (2019: £11.4 million), down 9.1%. This reduction was a result of the lockdown in March, when most of the students left the College for the rest of the year. This led to a loss of student accommodation and catering income, as well as the cancellation of conference business. These losses were partially offset by claims of £0.4 million under the Government Coronavirus Job Retention Scheme to cover the salaries of staff who were placed on furlough.

Income from student accommodation and catering was £2.9 million (2019: £3.9 million) and conference activity was £2.3 million (2019: £2.8 million), the reduction in both due to the effects of lockdown in March. The profit and cash flow from the conference business helps to mitigate the overhead costs of providing the College infrastructure and thus to reduce the costs to students.

Expenditure is made up of staff costs, including academic stipends, of 44%, with the non-academic salaries being 35%. Operating costs make up a further 39% and depreciation is 17%. Staff costs decreased by £0.8 million, but this hides a movement between years in the provision for the cost to fund the deficit in the USS pension scheme of nearly £1.2 million, so underlying staff costs increased by 6.1%. Operating costs remained flat at £5.0 million, although some savings were made following lockdown, offset by increased interest charges following the increase in absolute levels of debt, due to the recent private placement.

Income from academic fees remained flat at £3.5 million, with the corresponding expenditure increasing to £5.2 million (2019: £5.0 million), resulting in the Education account being in deficit to the extent of £1.7 million (2019: £1.6 million). The College must, therefore, bear the expense of this subsidy, not all of which can be met from trust funds. The cost of an undergraduate education rose from £8,634 to £8,889 for the 2019-20 year, while the regulated Home/EU undergraduate tuition fee has remained frozen since 2012, apart from a small increase in 2017, so in real terms the College's half-share of £9,250 has declined in value. The cost of providing academic and pastoral support for each postgraduate fell slightly from £4,210 to £4,100 as fixed costs were spread across a higher number of students.

Unrestricted donation income was £1.8 million (2019: £0.3 million) due to a legacy of £1.6 million notified near the end of the year. Endowment return was £1.1 million based on the spending rule under the Total Return policy.



Restricted income and expenditure

Restricted income arises from expendable donations for specific purposes and the income from any endowed funds to support specific projects. The income is matched against the eligible expenditure and any surplus is carried forward to restricted reserves.

The restricted income was £5.4 million (2019: £1.3 million) and the associated educational expenditure was £1.2 million (2019: £1.0 million). Income included an expendable donation of £1 million to fund studentships and £2.3 million in legacies that were due, but not paid, at 30 June and that will be transferred to the endowment in 2020–21 when the cash is received.

Conference Services

The financial year was effectively concluded in mid-March due to the closure announced by the University, with income at £2.3 million, 18% down on the prior year; Business worth approximately £0.4 million was cancelled in Q3/Q4 due to Coronavirus. The first six months of the financial year represented the strongest first-half performance in trading history at £2.1 million, even with a greatly reduced summer programme due to a conflict of interest with one regular client and a reduced number of weddings. Catering capacity in the Hall remains a challenge that potentially limits the number of residential guests, although there was also success in moving larger groups out of the Hall for a room-served networking breakfast in the Grace Howard and Drawing Room, with new catering menus. To maintain financial increases in the years ahead, increased revenue outside of the Easter and summer residential periods will be required and agreeing any further venues for catering will need to be addressed.

The West Lodge refurbishment completed in the previous year was well-received by clients, as it offers a high-spec meeting facility, inviting dinner environment and the opportunity to sell the building exclusively. The boardroom meetings/training market will remain a target area in future rebuilding years.

Approximately £2.1 million of business has been lost in 2020/21 due to the pandemic. It is unlikely that any significant events will be held before the end of the current financial year. Some income has been generated via a partnership with the Judge Business School to provide lecture facilities and has been crucial, not only financially, but also in allowing the Conference Department to run an event and gain valuable experience of working in a Covid-secure environment. This will provide crucial confidence to organisers of commercial events when conditions allow.

There is a general feeling within the events industry that a return to some stability will occur from Q2 in 2021. Speaking with event organisers, the desire and need to hold physical events remains high, although this will be based on UK Government guidelines and stipulations. International events are likely to be impacted for some time; a notional group from China, for instance, would need to factor in a total of 28 days isolation on entry and return. There is scope at Downing to offer a form of hybrid event, although it remains to be seen whether such events would be financially viable and offer a valuable enough delegate experience to be monetised.

Further information is shown in section 5 of the College Statistics and Financial Highlights.

Investments

The total investment portfolio stood at £58.8 million at 30 June 2020 (2019: £49.8 million), consisting of £44.8 million in securities and £14.0 million in property. The overall total return was 3.7% (securities 3.9%, property 3.1%). Following the private placement at the end of 2019, £9 million was invested in the securities portfolio during the year.

The College operates a Total Return policy for its endowment investments whereby all capital gains and income are allocated to an unapplied total return 'pot'. A spending rule is then used to transfer some of the return to the Consolidated Statement of Comprehensive Income and Expenditure. The College's spending rule is designed to smooth spending and reduce the effect on income of fluctuations in market performance. The rule protects operations from the volatility of returns and ensures that the amount available for spending is known in advance. The amount of return recognised in the Consolidated Statement of Comprehensive Income and Expenditure is equal to the weighted average of the prior year's spending adjusted for inflation measured by RPI + 1% (70% weight) plus the amount that would have been spent using 4.5% of the prior year's closing value of the investments (30% weight). In formulating this rule, the College had regard to the unapplied total return on invested funds. The unapplied total return stands at £15.8 million and, since 1 July 2007, has included returns from commercial property. It is usually possible to net outflows against inflows so that the actual investments remain undisturbed. In setting the spending rule, the Committee is conscious of the need to achieve balance between the claims of present and future beneficiaries and aims to preserve the purchasing power of the endowment, measured by RPI + 1% after distribution.

Since 2009, the College's investment adviser has been Partners Capital, an outsourced investment office which performs the same functions as the in-house investment teams at the large global endowments, offering access to the same range of asset classes through a feeder-fund structure. Partners Capital is an independent advisory service, and is free from the conflicts of interests of institutions that both advise and run in-house products. The firm has over 200 employees and seven offices covering all major regions. Partners Capital's mandate is discretionary within risk levels set by the College.

The securities portfolio is invested across the different asset classes using the Endowment Model, an approach that is expected to return 2% above the traditional mix of stocks and bonds. As the strategy includes investments in private equity and other relatively illiquid assets, the Investment Committee, acting on advice from Partners Capital, sets limits on illiquidity and monitors daily, monthly, and quarterly liquidity to ensure that in an emergency funds can be easily accessed, even in the conditions experienced in the financial crisis of 2008.

Distributions for Spending

Through the spending rule, the Amalgamated Fund delivered an overall £2.2 million (or 4.4% of the portfolio) in support of current operations, an increase of 5.8% on last year's drawdown. The Amalgamated Fund consists of units held by each unrestricted and restricted fund, with each receiving a share of the overall income. For 2019-20, each unit was valued at £27.12, and received income for spending ('the dividend') of £1.18, a dividend increase of 0.8% on last year's levels.

To achieve balance between the claims of present and future beneficiaries, the Committee aims to preserve the purchasing power of the endowment, measured by RPI + 1% after distributions. Given the rate of educational inflation versus investment returns, the preservation of purchasing power has proved difficult. In the interests of consistency, the Spending



Rule has remained the same since its introduction, although its output has been routinely compared with that of other methodologies. With the prospect of lower future returns, the Committee considered whether or not the rule needed revision. It decided to retain the current formula, noting that the College was mindful of the need to restrain spending.

Responsible Investing

The College aims to invest responsibly whilst earning returns appropriate for the funds invested. Since February 2019, the portfolio has not directly held any energy-focused public equity managers and all passive equity holdings have tracked indices excluding fossil fuels. Nor has it had any direct exposure to fossil fuels since February 2019 and, as of 30 June, the College's estimated indirect exposure to fossil fuels (including companies involved in the extraction of fossil fuels) is 1.8% of the total portfolio. At 30 June 2020, 2.2% (£0.9 million) of the College's securities portfolio was invested in renewable energy assets. The equities allocation of the College at 30 June is estimated to have an 89.2 carbon intensity, which compares favourably to the MSCI All Countries World Index carbon intensity of 146.3.

Securities Performance

The combined securities and property portfolio returned 3.7% in 2019-20 after deducting all costs and fees, reflecting a 3.1% return on the College's property investments, which detracted from the 3.9% return achieved by the securities. The securities portfolio return, supported by underlying asset managers that on average outperformed their respective benchmarks by 2.6%, was driven by the public equities allocation, which returned 10.7% over the period. Since inception in 2009 when the mandate for the portfolio was given to Partners Capital, the securities portfolio has returned an annualised 7.8%, ahead of the strategic asset allocation composite benchmark, which has returned an annualised 6.8%. Over the last three years, the securities portfolio has returned 6.4% p.a., compared to a 5.2% p.a. return for the strategic asset allocation composite benchmark. At 30 June 2020, 60% of the £42.3 million securities portfolio was in Sterling, with 24% USD and 16% in other currencies. Of the securities portfolio, 31% was invested in illiquid assets (22% Private Equity, 9% Private Debt), within the agreed target of 43% illiquidity. Of the securities portfolio, 46% has quarterly or better liquidity, of which 19% has daily liquidity. At 30 June 2020, the equivalent net equity beta ('ENEB') of the securities portfolio stood at 75% and at 69% for the total investment portfolio, including property.

Property

With the exception of a small investment in a residential property fund, the property portfolio consists almost exclusively of the shops and offices on the Regent Street border. Owned for opportunistic and defensive purposes, these properties are classified as part of the investment portfolio, yet share only some of the characteristics of financial investments. Despite being the main route between the station, the Ring Road, and the City Centre, Regent Street remains a tertiary location for shops: it is, therefore, difficult to attract tenants with strong covenants. The property portfolio stood at £14.0 million as at 30 June 2020 (some 24% of the total portfolio of £48.8 million), a decrease of 3.0%. The rental income yield was 6.1%.

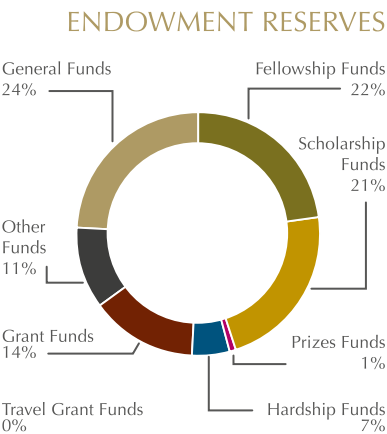
Further information is shown in section 6 of the College Statistics and Financial Highlights.

Capital and Reserves

The College’s capital base increased by £4.8 million (2.4%) to £202.1 million, including the effect of the £1.4 million investment in student accommodation and the improvement of public rooms, which underpin the success of the conference business. This investment in hard assets, however, means that free reserves are reduced: £1.0 million, representing the increase in the net book value of the operational buildings, was transferred to the internal designated buildings reserve. The College has had success in the past in attracting donations for buildings, but the timing or nature of some projects, which are nevertheless strategically necessary, does not always make this possible.

Free reserves were increased by the unrestricted surplus of £0.7 million, but were then reduced by a £0.3 million charge for the actuarial loss of the now closed defined-benefit pension scheme, the Cambridge Colleges Federated Pension Scheme. This led to a year-end position of free reserves of negative £0.3 million, which is likely to worsen next year due to the conversion work on 90–92 Regent Street and other general improvement works across the Domus.

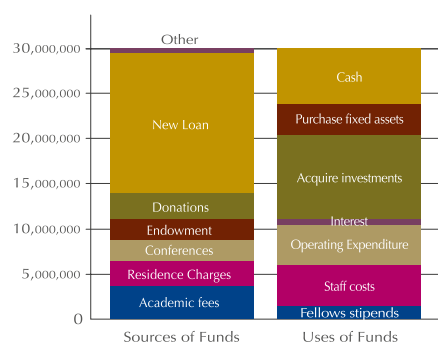
Although Capital and Reserves declined by £0.8 million due to the reduction in free reserves, there was an overall increase due to the combined return of 3.7% in the Securities and Property portfolio and restricted and capital donations of £5.2 million.



Cash Flow

Cash generated by all activities resulted in an increase of £4.8 million in cash balances, with cash of £6.1 million held at year end. Cash generation from operating activities¹ before the effects of working capital amounted to £0.7 million, a slight improvement from the £0.5 million last year. Endowment income, less interest payable, contributed a further £1.6 million of cash. The capital expenditure during the year of £3.4 million included the refurbishment of 26 Lensfield Road and the initial phases of the conversion of 90–92 Regent Street. The private placement in November 2019, which raised £20 million (at a fixed rate of 2.05% over 50 years), was used to settle existing loans of £4.5 million and £9 million was invested in the securities portfolio. The balance was kept to fund the conversion of 90–92 Regent Street and underwrite the potential New Student Centre project.

SOURCES AND USES OF FUNDS 2019/20



On behalf of the Governing Body:

Alan Bookbinder, Master

Gavin Flynn, Senior Bursar

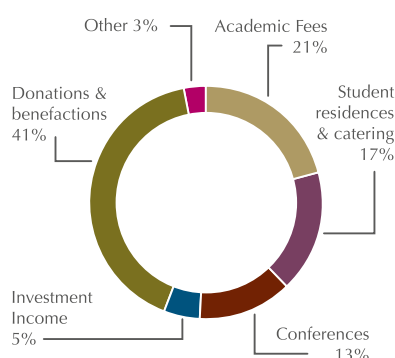
Date: 17 December 2020

¹ Surplus before other gains and losses before depreciation, interest payable, investment income, changes in working capital and restricted and endowment donations.

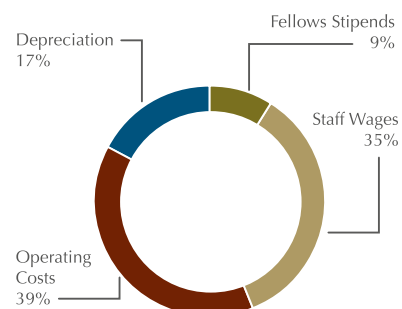
COLLEGE STATISTICS AND FINANCIAL HIGHLIGHTS

	2020	2019	2018
Income and Expenditure			
Total Income	17,081,899	14,281,030	13,283,593
Donations and Benefactions Received	6,989,777	3,028,903	2,443,878
Conference Services Income	2,278,178	2,767,554	2,488,662
Total Expenditure	12,699,330	13,476,084	12,025,831
Total Surplus/(Deficit) before other gains and losses	4,382,569	804,946	1,257,762
Unrestricted Surplus/(Deficit) before other gains and losses	656,967	(825,297)	(2,746)
Capital Expenditure			
Total Capital Expenditure	3,349,957	5,209,816	3,095,975
Investment in Buildings	2,552,630	4,587,526	2,573,213
Other Capital Expenditure	797,327	622,290	522,762
Assets			
Free Reserves	(267,141)	550,676	4,581,874
Investment Portfolio	58,786,385	49,811,766	47,657,411
Spending Rule Amount	2,193,707	2,073,064	1,940,402
Net Assets	202,061,796	197,234,215	195,387,216

BREAKDOWN OF INCOME
2019/20



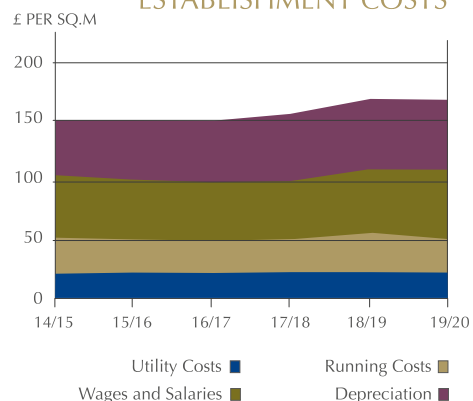
BREAKDOWN OF EXPENDITURE
2019/20



CAPITAL EXPENDITURE



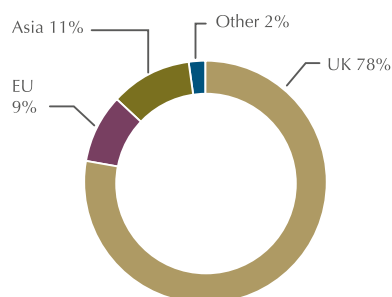
ESTABLISHMENT COSTS



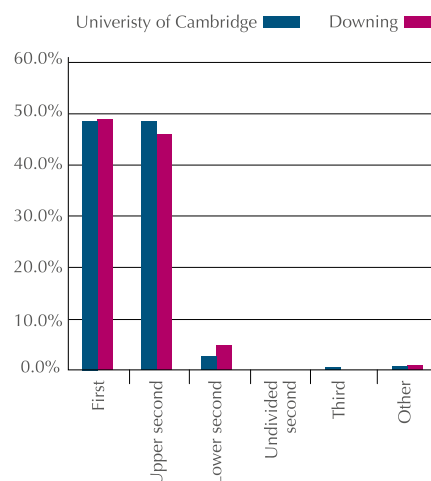
1. UNDERGRADUATE NUMBERS 2019–20 AS OF 1 OCTOBER 2019

<i>Subject</i>	Year 1	Year 2	Year 3	Year 4	Years 5–6	Total 2019–20	Total 2018–19
Anglo-Saxon	1	—	—	—	—	1	0
Archaeology & Anthropology	—	1	1	—	—	2	2
Architecture	—	1	1	—	—	2	3
Asian & Middle Eastern Studies	2	1	1	—	—	4	2
Chemical Engineering	—	3	3	2	—	8	8
Chemical Engineering via Engineering	3	—	—	—	—	3	1
Chemical Engineering via Natural Science	—	—	—	—	—	—	2
Classics	4	2	4	—	—	10	12
Classics – 4yr	3	1	3	—	—	7	4
Computer Science	4	4	4	2	—	14	13
Economics	6	6	6	—	—	18	20
Education	3	—	2	—	—	5	3
Engineering	13	11	12	12	—	48	50
English	6	6	5	—	—	17	18
Geography	3	5	3	—	—	11	14
History	6	5	5	—	—	16	15
History with Modern Languages	1	—	1	—	—	2	1
History with Politics	—	1	—	—	—	1	1
History of Art	2	1	2	—	—	5	7
Human, Social and Political Science	8	4	4	—	—	16	17
Land Economy	1	2	2	—	—	5	5
Law	9	12	14	—	—	35	39
Linguistics	1	—	2	—	—	3	4
Management Studies	—	—	—	2	—	2	1
Manufacturing Engineering	—	—	4	1	—	5	2
Mathematics	7	4	6	2	—	19	19
Medical Sciences	13	17	12	14	28	84	87
Modern Languages	6	4	7	2	—	19	14
Music	2	2	2	—	—	6	5
Natural Sciences (Biological)	9	9	10	2	—	30	28
Natural Sciences (Physical)	14	9	7	8	—	38	36
Philosophy	1	3	—	—	—	4	5
Psychological and Behavioural Sciences	3	5	1	—	—	9	12
Theology	2	—	2	—	—	4	4
Theology BTh	—	1	—	—	—	1	2
Veterinary Medicine	3	4	2	2	4	15	14
Total						469	470

UNDERGRADUATES
BY REGION



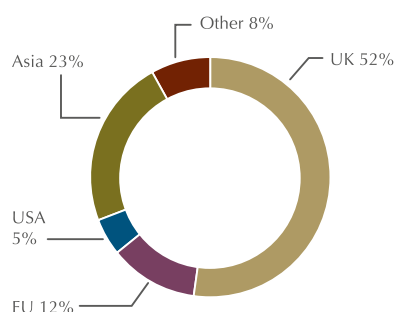
UNDERGRADUATE
DEGREE CLASSIFICATIONS



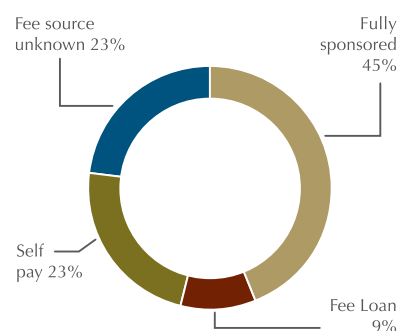
2. PHD THESES SUCCESSFULLY DEFENDED BY DOWNING POSTGRADUATE STUDENTS 2019–20

Biochemistry	Development of a software package for the quantitative analysis of proteomic mass spectrometry datasets labelled with nitrogen-15
Biological Science	P-Rex1: regulation by Norbin and cooperation with Vav family Rac-GEFs in inflammatory neutrophil recruitment
Chemical Engineering	Fundamentals of stiff paste extrusion
Clinical Biochemistry	Characterisation of L-cell secretory mechanisms and colonic enteroendocrine cell subpopulations
Engineering	Dynamic resistance of High-Tc superconductor and its application in flux pumped superconducting magnets
Engineering	Understanding travel mode choice: a new approach for city scale simulation
English	The Politics of Male Friendship in Contemporary American fiction
Geography	Reconciling conservation, agriculture and household welfare: testing the suitability of the land sparing and sharing model in Western Uganda
History	The Prester John Legend and European conceptions of Eastern alterity before 1800
Materials Science	The effect of superimposed stress on high temperature degradation of single crystal superalloys during exposure to various sulphur and sea salt environments
Materials Science	On the plastic deformation behaviour of nickel-based superalloys: low cycle fatigue and stress orientation effects
Psychology	Early androgen exposure, gender, and disorder-relevant traits
Psychology	Functional organisation of behavioural inhibitory control mechanisms in cortico-basal ganglia circuitry: implications for stimulant use disorder
Psychology	The cognitive underpinnings of ideological thinking

GRADUATES BY REGION



GRADUATES BY FEE TYPE



3. SELECTED PUBLICATIONS BY DOWNING FELLOWS

Barber, Dr Zoe

Kurdi, S., Ghidini, M., Divitini, G., Nair, B., Kursumovic, A., Tiberto, P., Dhesi, S.S. and Barber, Z.H. (2020), 'Exchange-bias via nanosegregation in novel Fe_{2-x}Mn_{1+x}Al (x= -0.25, 0, 0.25) Heusler films', *Nanoscale Adv.*, Vol. 2 (6), pp. 2602-2609.

Bravo, Dr Michael

Bennett, M., Stephenson, S., Yang, K., Bravo, M. and de Jonghe, B. (2020), 'The Opening of the Transpolar Sea Route: Logistical, Geopolitical, Environmental, and Socioeconomic Impacts', *Marine Policy*, DOI: 10.1016/j.marpol.2020.104178.

Correia, Dr Marta

Correia, M.M., Rittman, T., Barnes, C.L., Coyle-Gilchrist, I.T., Ghosh, B., Hughes, L.E. and Rowe, J. (2020), 'Towards accurate and unbiased imaging-based differentiation of Parkinson's disease, progressive supranuclear palsy and corticobasal syndrome.' *Brain Communications*, Vol. 2 (1), <https://doi.org/10.1093/braincomms/fcaa051>

Crisp, Dr Michael

Chen, R., Yang, S., Ndifon, A.M., White, I.H., Penty, R.V. and Crisp, M. (2020), 'Beam Scanning UHF RFID Reader Antenna with High Gain and Wide Axial Ratio Beamwidth', *IEEE Journal of Radio Frequency Identification*. DOI: 10.1109/JRFID.2020.2994447.

Day, Mr William

Day, W. (2020), 'Contracts, Illegality and Comity', *Cambridge Law Journal*, Vol.79 (1), pp. 64-90. DOI: <https://doi.org/10.1017/S0008197320000252>.

Farahi, Dr Neda

Farahi, N., Gillett, D., Southwood, M., Rassl, D., Tregay, N., Hill, U., Preston, S.D., Loutsios, C., Lok, L.S.C., Heard, S., Buscombe, J., Rintoul, R.C., Peters, A.M., Summers, C. and Chilvers, E.R. (2020), 'Lesson of the month: novel method to quantify neutrophil uptake in early lung cancer using SPECT-CT', *Thorax*, Vol. 75 (11), pp. 1020-1023. DOI: 10.1136/thoraxjnl-2020-214642

Haniff, Professor Chris

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Hughes, Dr Josie

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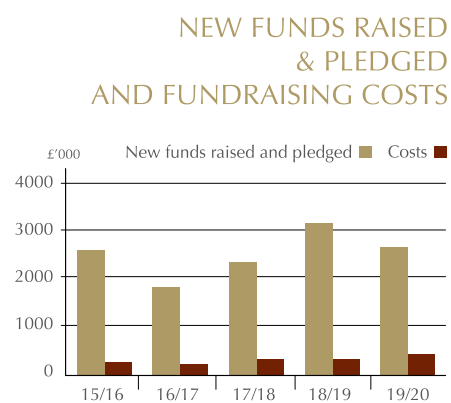
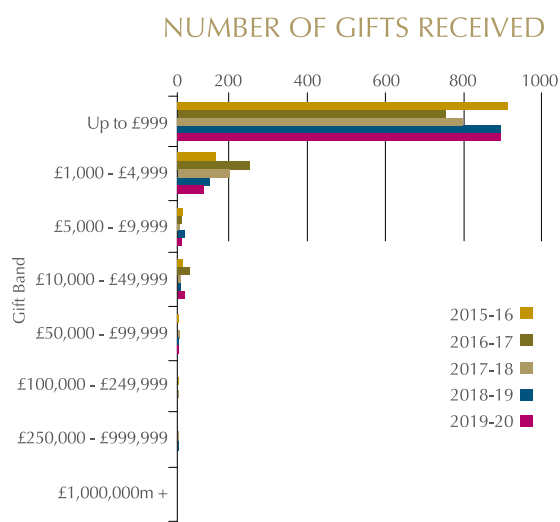


4. DEVELOPMENT

The following tables show the Status of Members out of Residence and Donors and attendance at Alumni and Donor events.

Status of Members out of Residence and Donors

	2019–20	2018–19	2017–18
MEMBERSHIP DATABASE			
Living Members	9,551	9,454	9,262
% Address known	90%	90%	90%
% email address known	88%	88%	87%
Address unknown	918	932	923
Request not to be mailed	689	499	214
PARTICIPATION RATES			
Living donors this financial year	1,005	1,030	1,018
including former undergraduates	883	896	906
including former graduates	80	81	73
including others	42	53	39
Participation Rate this financial year of living members in contact	11%	12%	12%
% former undergraduates	13%	13%	14%
% former graduates	4%	4%	4%

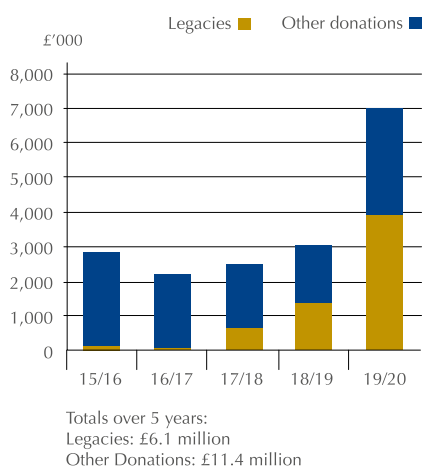


EVENTS AND OTHER FORMS OF CONTACT

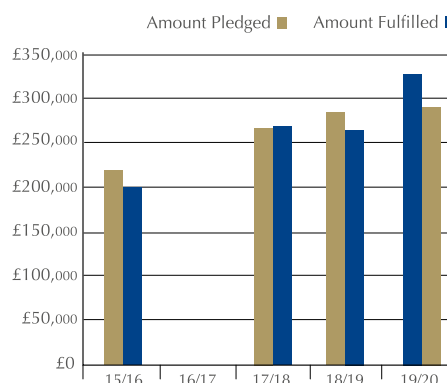
Event Attendance by Financial Year (1 July–30 June)

	2019–20		2018–19		2017–18	
	Total	Alumni	Total	Alumni	Total	Alumni
1749 Reception: July	91	34	102	40	64	27
Year Reps Meeting: September	36	33	32	29	30	27
Alumni Day: September	191	121	145	88	164	105
Association Dinner: September	141	99	125	78	121	83
Parents Lunch: November	95	2	105	1	118	—
London Event: November	—	—	—	—	—	—
Reunion Dinner: March	—	—	182	168	139	135
Segreants Dinner: April	—	—	68	65	73	62
MA Awards Dinner: May	—	—	101	76	118	82
Donors Garden Party: June	—	—	225	84	217	107
Graduands Reception: June	—	—	392	89	323	84
Other events	650	361	1,326	783	559	391
Total	1,204	619	2,803	1,501	1,926	1,103

DONATIONS & LEGACIES



TELEPHONE FUNDRAISING DONATIONS



www.twitter.com/downingcollege
Followers: 5,202



www.facebook.com/downingcollege
Fans: 6,466
Heong Gallery Fans: 1,211



www.instagram.com/downingcollege_cambridge
Photos: 2,653

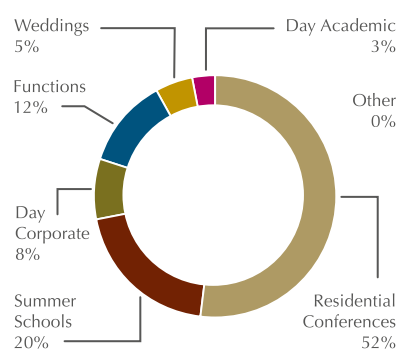


Downing College LinkedIn Group
Members: 1,047

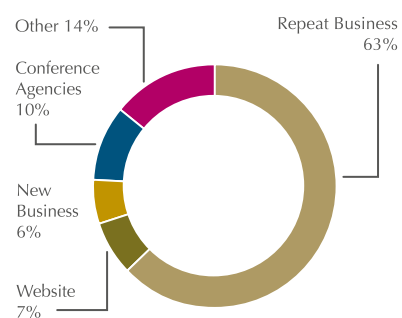


5. CONFERENCE INCOME

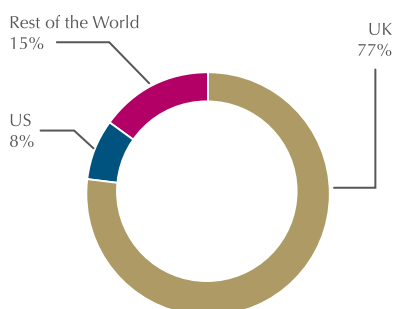
INCOME BY BUSINESS SECTOR



INCOME BY BUSINESS SOURCE



INCOME BY REGION

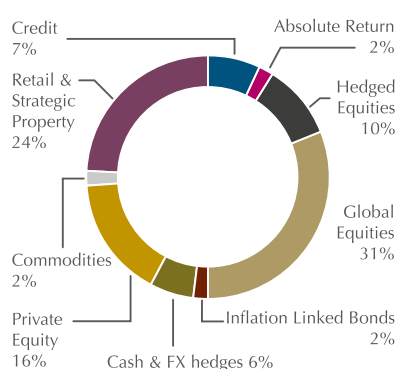


6. INVESTMENTS

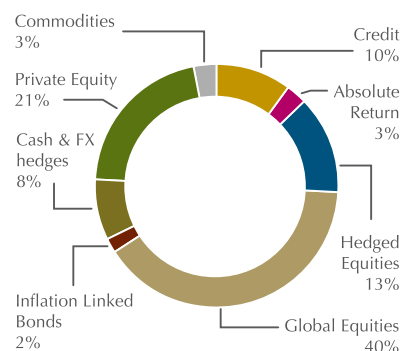
Composition of Investment Portfolio

	30 June 2020 £	30 June 2019 £	30 June 2018 £
1. Securities			
Core Portfolio Cash	3,431,754	1,339,292	617,305
Forward Foreign Exchange Hedges	30,190	(297,445)	(431,382)
Fixed Income	—	—	—
Credit	4,314,098	3,080,723	3,000,554
Absolute Return	1,242,515	2,201,848	2,253,875
Hedged Equities	5,973,268	5,260,900	4,748,065
Global Equities	18,092,134	14,042,772	13,924,992
Private Equity	9,247,606	8,337,724	6,629,677
Inflation Linked Bonds	1,107,370	1,000,098	919,697
Commodity Fund	1,335,949	404,354	444,627
Total	44,774,885	35,370,266	32,107,410
Other Private Equity*	—	—	—
TOTAL SECURITIES	44,774,885	35,370,266	32,107,410
2. Property			
Office	4,240,000	4,230,000	4,230,000
Retail	9,060,000	9,500,000	10,661,000
Property Development	711,500	711,500	659,000
TOTAL PROPERTY	14,011,500	14,441,500	15,550,000
TOTAL PORTFOLIO	58,786,385	49,811,766	47,657,410
Securities ENEB	75%	75%	75%

ASSET ALLOCATION AT
30 JUNE 2020 (inc. property)

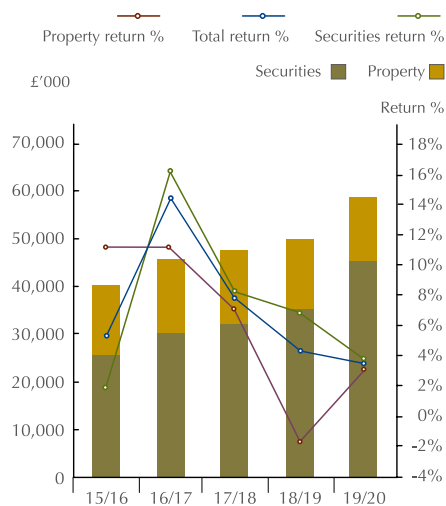


ASSET ALLOCATION AT
30 JUNE 2020 (exc. property)



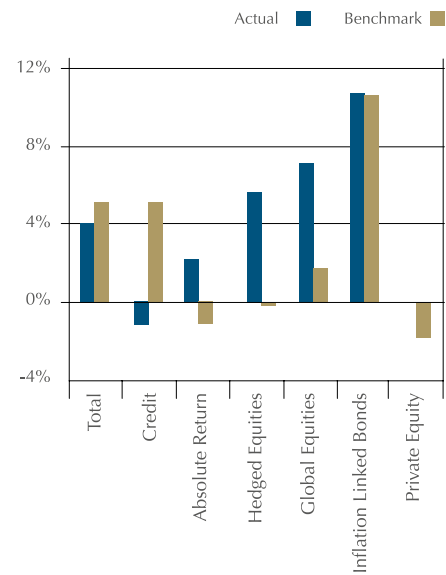
* Includes donated shares in seven new ventures, held at nil value.

ENDOWMENT & TOTAL RETURN

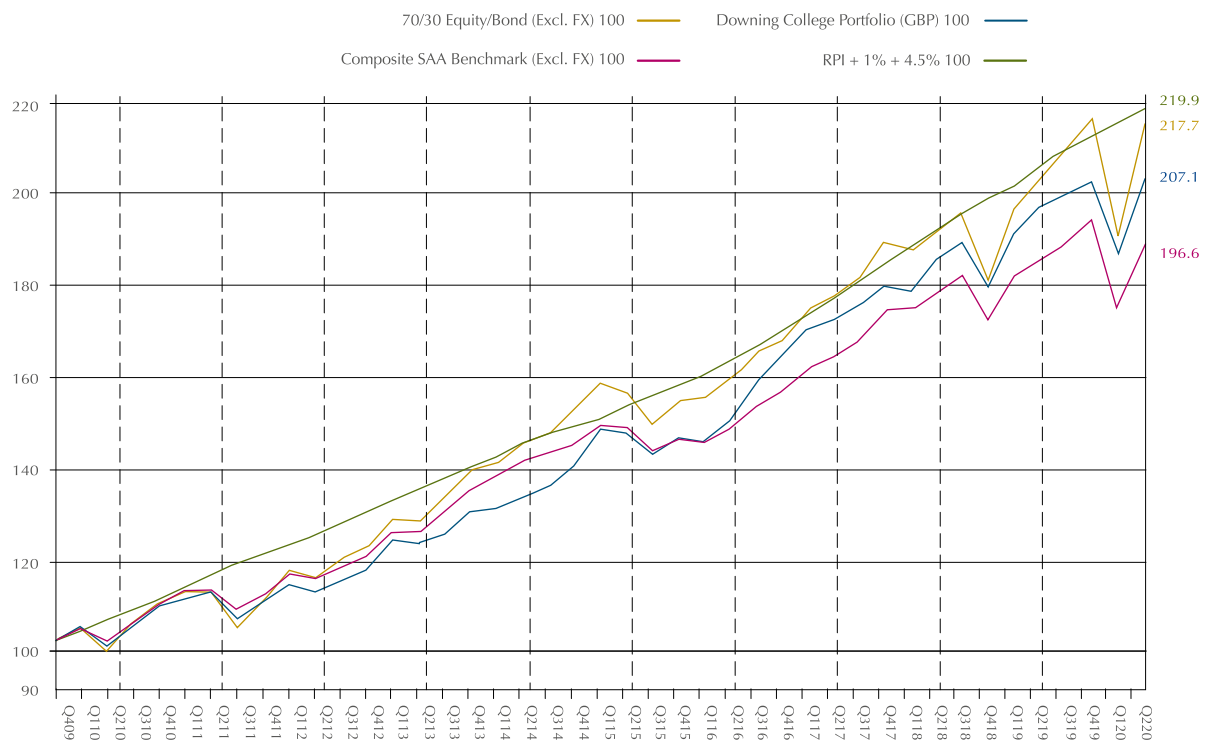


Note: £9 million added to endowment in 2019/20 from private placement

SECURITIES RETURN AGAINST BENCHMARKS 2019/20



CUMULATIVE PERFORMANCE SINCE INCEPTION - value of £100 invested



Inception is from 2009 when the mandate for the portfolio was transferred to Partners Capital

7. FIVE YEAR SUMMARY

Financial Year End:	2020	2019	2018	2017	2016
1. Education					
Undergraduate classification of degrees ²					
1st	64	92	112	89	111
2:1	55	211	224	217	195
2	0	19	16	15	20
2:2	10	49	35	35	34
3	1	11	18	9	11
Pass ³	289	8	18	20	21
DDH (Deemed to have deserved honours)	0	0	3	6	2
Ordinary	0	0	0	0	0
Fail	1	2	1	0	3
Number of Special Prizes ⁴	0	13	14	10	14
Graduate degrees awarded:					
PhD (including MB PhD)	14	36	29	26	31
MPhil, LLM, MBA <i>et al</i>	56	99	80	75	67
MB BChir	10 (inc 2xVetMB)	9(inc 2xVetMB)	11(inc 1xVetMB)	11(inc 0xVetMB)	8 (inc 1xVetMB)
2. Admissions					
Number of Open Days					
College Open Days	2	2	2	2	3
University Open Days	2	2	2	2	2
South-West Open Days	2	2	2	2	2
Numbers visiting College and South-West Open Days	60	163	191	159	185
% subsequently applying to Downing (in October following)	50%	28%	26%	24%	15%
Applicants from South-West initiative (October following)	23	9	25	21	25
Applicants from South-West non-selective schools (included above)	13	7	10	15	22
Admissions from South-West non-selective schools	3	1	3	6	5
Applicants from low participation neighbourhoods	86	30	34	60	28
Admissions from low participation neighbourhoods	13	17	7	6	4

² In 2019/20 due to changes to examinations undertaken only final year students received a class result

³ In 2019/20 all students not in their final year were classified as receiving a pass

⁴ Special Prizes are awarded to those in the top 2.5% of their University Class List. Due to the changes to examinations undertaken in 2019/20, no Special Prizes were awarded for the year.



7. FIVE YEAR SUMMARY continued

Financial Year End:	2020	2019	2018	2017	2016
Total Number of Applicants for Undergraduate Courses (in October following)	949	746	751	793	570
% Women: % Men	49:51	46:54	51:49	47:53	48:52
Applicants from Maintained Schools	445	334	310	329	228
% Maintained: % Independent	59:41	62:38	59:41	57:43	62:38
Admissions (Including Summer Pool)	127	123	126	133	128
% Women: % Men	48:52	46:54	44:56	49:51	49:51
Admissions from Maintained Schools	66	65	59	73	65
% Maintained: % Independent	62:38	63:37	58:42	64:36	59:41
Applications by subject					
Asian & Middle Eastern Studies	6	3	5	5	4
ASN&C	—	—	1	—	1
Archaeology & Anthropology	1	6	3	1	—
Architecture	20	13	26	35	17
Chemical Engineering via Engineering	6	8	7	6	4
Chemical Engineering via Natural Sciences	7	6	10	12	11
Classics	13	17	9	9	4
Computer Science	57	38	23	21	11
Economics	79	42	33	42	45
Education	6	10	4	4	4
Engineering	119	94	107	131	70
English	28	21	29	23	13
Geography	32	17	17	36	25
History	30	31	22	35	11
History of Art	7	9	4	6	8
Human, Social & Political Sciences	47	43	41	34	36
Land Economy	24	15	12	24	10
Law	119	95	98	102	72
Linguistics	4	7	7	6	3
Mathematics	35	32	29	35	24
Medicine	91	74	105	57	59
Modern & Medieval Languages	13	9	13	7	10
Music	6	3	1	—	1
Natural Sciences	155	105	99	130	93
Philosophy	2	13	7	6	5
Psychological & Behavioural Sciences	25	20	26	13	19
Theology	3	3	3	2	3
Veterinary Medicine	14	12	10	13	7

7. FIVE YEAR SUMMARY continued

Financial Year End:	2020	2019	2018	2017	2016
Total University Full-Time Undergraduates ⁵	12,354	12,163	12,077	11,926	11,820
% Female: % Male	48:52	48:52	47:53	47:53	46:54
Total Full-Time Downing Undergraduates ⁵	463	467	461	447	437
% Female: % Male	43:57	43:57	45:55	43:57	42:58
Total University Full-Time Postgraduates ⁵	7,221	6,974	6,799	6,548	6,486
% Female: % Male	46:54	45:55	46:54	46:54	44:56
Total Downing Full-Time Postgraduates ⁵	243	216	194	167	164
% Female: % Male	45:55	40:60	48:52	50:50	49:51
Total University numbers admitted to current course in the previous twelve months which attract undergraduate fees ⁵	3,488	3,425	3,791	3,647	3,634
% Female: % Male	49:51	49:51	48:52	49:51	48:52
Downing numbers admitted to current course in the previous twelve months which attract undergraduate fees ⁵	128	124	144	144	140
% Female: % Male	46:54	47:53	40:60	47:53	48:52
Total University numbers admitted to full-time postgraduate courses in the previous twelve months ⁵	4,385	4,271	4,074	3,962	3,812
% Female: % Male	49:51	47:53	47:53	47:53	46:54
Downing numbers admitted to full-time postgraduate courses in the previous twelve months ⁵	139	131	114	105	98
% Female: % Male	47:53	37:63	46:54	48:52	50:50
3. Composition of Full-time Students⁵					
Undergraduates					
Home	363	358	352	355	351
EU	35	33	38	28	31
Overseas	65	76	71	64	55
Total	463	467	461	447	437
Postgraduates					
Home	82	76	65	52	61
EU	38	34	36	36	34
Overseas	123	106	93	79	69
Total	243	216	194	167	164

⁵ Cambridge Student Statistics Office figures (excluding incoming exchange and visiting students).



7. FIVE YEAR SUMMARY continued

Financial Year End:	2020	2019	2018	2017	2016
4. Financial Support					
Financial Support for Students:					
Number of Students Receiving Grants					
Cambridge Bursary Scheme	73	71	80	84	87
Cambridge Commonwealth, European and International Trust	44	17	15	8	10
Gates Cambridge Trust	7	6	1	2	1
Average value of Cambridge Bursary Scheme Grants	£2,928	£2,744	£2,899	£2,787	£2,870
5. Accommodation					
Average Weekly Rent Undergraduate Study Bedroom	£168.95	£165.23	£162.43	£157.50	£143.26
Average Weekly Rent Graduate Study Bedroom	£166.94	£165.37	£165.41	£166.23	£142.77
Undergraduates Housed in College Accommodation	402	414	412	403	379
Graduates Housed in College Accommodation	169	129	134	126	115
Total Units of Student Accommodation	576	546	547	537	494
6. Student Catering Income					
Lunch	£119,013	£150,984	£99,110	£86,317	£76,659
Dinner	£64,294	£91,268	£85,654	£70,941	£77,540
Café	£73,059	£111,383	£117,774	£129,086	£148,567
Formal Hall	£52,829	£73,693	£63,278	£54,661	£54,123
7. Conference & Functions					
Conference and Function Income	£2,278,181	£2,767,554	£2,488,662	£2,353,233	£2,255,479
Total Room nights	15,564	18,512	16,486	14,947	14,507
Capacity Utilisation Total Conference Rooms	41.2%	50.6%	41.2%	39.6%	34.0%
En-suite Rooms	46.8%	51.8%	43.3%	42.5%	32.5%
Average Price Achieved per Room Used	£60.84	£61.90	£61.97	£67.15	£63.69
8. Development and Fundraising					
Development Campaign Cash Recognised (including by The Segreants Trust)	£6,992,202	£3,055,438	£2,471,158	£2,181,170	£2,838,613
Living donors as a % of members in contact	38%	38%	39%	41%	40%
Participation Rate this Financial Year of Living Members in Contact	11%	12%	12%	19%	19%
Direct Fundraising Costs:					
Donations Raised excluding Legacies	6:1	3:1	4:1	6:1	7:1
Donations Raised including Legacies	14:1	6:1	6:1	6:1	7:1
Donations Raised including Legacies (5-year average)	8:1	6:1	7:1	8:1	8:1

7. FIVE YEAR SUMMARY continued

Financial Year End:	2020	2019	2018	2017	2016
9. Income and Expenditure					
% Unrestricted Surplus (Deficit) before other gains and losses / Unrestricted Income	5.4%	(7.1%)	(0.0%)	(2.8%)	6.7%
Staff costs as a % of Income before Donations and Endowments	60.0%	56.9%	48.5%	51.0%	51.8%
£ per sq.metre cost of upkeep of Buildings	£171.57	£169.43	£157.56	£154.08	£151.19
10. Charitable Funds					
Charitable Funds Invested (including Works of Art, etc.)	£65,987,584	£56,688,390	£54,057,847	£51,883,719	£45,787,011
Capital Value per Unit	£27.12	£27.44	£27.35	£26.56	£24.10
Spending Rule Amount ⁶	£2,193,717	£2,073,067	£1,940,402	£1,796,347	£1,733,277
Spending Rule Amount as % Income before Donations and Endowments	21.7%	18.4%	17.9%	17.8%	18.3%
Spending Rule Amount as % Investment Portfolio	3.7%	4.2%	4.0%	4.0%	4.3%
Total Return	3.7%	4.4%	7.8%	14.5%	5.3%
Annual Three-year Cumulative	5.3%	8.8%	9.1%	10.2%	7.9%
Annual Five-year Cumulative	7.1%	8.5%	9.2%	9.5%	7.8%
Performance of Core Securities Portfolio (net of fees)	3.9%	7.0%	8.3%	16.2%	2.1%
Annual Three-year Cumulative	6.4%	10.4%	8.7%	10.0%	7.6%
Annual Five-year Cumulative	7.4%	9.0%	9.4%	9.9%	6.7%
Performance of Property Portfolio	3.1%	(1.5%)	7.0%	11.1%	11.2%
Annual Three-year Cumulative	2.8%	5.4%	9.7%	10.4%	8.6%
Annual Five-year Cumulative	6.1%	7.2%	8.7%	8.9%	9.0%
11. Inflation Measurements					
RPI	1.1%	2.9%	3.4%	3.5%	1.6%
RPIX	1.3%	2.8%	3.4%	3.8%	1.7%
12. The Fellowship					
Fellowship (as of 1 October 2020)	45	47	49	48	50
University Principal Employer	31	33	36	38	38
Professors	11	12	13	15	15
Readers	2	2	3	2	2
Senior Lecturers	7	9	8	8	7
Lecturers	6	4	4	5	7
Other	5	6	8	8	7

⁶ The Spending Rule is the amount determined that can be spent and still preserve the purchasing power of the endowment for the long-term. It also constitutes the amount of the total return recognised in the income and expenditure account (note 3a).



7. FIVE YEAR SUMMARY continued

Financial Year End:	2020	2019	2018	2017	2016
College Teaching Officers	3	4	3	3	3
Other Fellows	3	4	2	2	2
Research Fellowships	4	2	4	3	4
Stipendiary	3	1	4	3	3
Non-stipendiary	1	1	—	—	1
Administrative + Chaplain	4	4	4	2	3
Female	15	16	17	16	16
Male	30	31	32	32	34
Resident (including the Master)	3	3	4	2	4
Non-Resident	42	44	45	46	46
13. Support Staff					
Support Staff Headcount	178	177	169	165	165
Female	106	106	101	100	98
Male	72	71	68	65	67
Turnover					
Appointments	21	33	59	34	49
Retirements	4	1	2	2	3
Resignations	14	23	45	36	35
Deceased	-	-	-	-	-
Dismissal/Redundancy	2	1	8	3	8
Days Sickness	1,098	1,611	1,616	1,715	766
Reports under RIDDOR	1	2	3	3	—
14. Pensions					
Members in the USS Pension Scheme	63	67	72	69	73
Members in Money Purchase Scheme	122	107	106	98	89
Members in the CCFPS Pension Scheme	1	1	1	1	1
Members of Previous College Staff Scheme (Retired)	2	2	3	3	4
15. Environmental Measures					
Water Use	£79,895	£86,270	£84,722	£92,840	£91,428
Gas Use	£127,540	£150,205	£128,585	£153,959	£142,429
Electricity Use	£242,706	£256,457	£224,617	£209,950	£204,516
16. Governance					
Freedom of Information requests	77	53	46	30	42



FINANCIAL STATEMENTS



STATEMENT OF RESPONSIBILITIES OF THE COLLEGE'S GOVERNING BODY

The Governing Body is responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

The College's Statutes and the Statutes and Ordinances of the University of Cambridge require that financial statements are prepared for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period. In preparing those financial statements the Governing Body is required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Governing body is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and to enable them to ensure that the financial statements comply with the Statutes of the University of Cambridge. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE GOVERNING BODY OF DOWNING COLLEGE

OPINION

We have audited the financial statements of Downing College (the 'College') for the year ended 30 June 2020, which comprise the Consolidated Statement of Comprehensive Income and Expenditure, the Consolidated Statement of Changes in Reserves, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the College's affairs as at 30 June 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Statutes of the University of Cambridge; and
- the contribution due from the College to the University has been correctly computed as advised in the provisional assessment by the University of Cambridge and in accordance with the provisions of Statute G,II, of the University of Cambridge.



BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER – MATERIAL UNCERTAINTY OVER INVESTMENT PROPERTY VALUATIONS

We draw your attention to the investments accounting policy of the financial statements, which describes the material uncertainty that the professional valuers have placed over their valuation of the investment property of the College. Our opinion is not modified in respect of this matter.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the College's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Governing Body other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- The information given in the Report of the Governing Body is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.



USE OF OUR REPORT

This report is made solely to the College trustees, as a body, in accordance with College's statutes, the Statutes of the University of Cambridge and the Charities Act 2011. Our audit work has been undertaken so that we might state to the College trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and the College trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PETERS ELWORTHY & MOORE



Chartered Accountants and Statutory Auditors
CAMBRIDGE

Date: 18 December 2020



STATEMENT OF PRINCIPAL ACCOUNTING POLICIES



BASIS OF PREPARATION

The financial statements have been prepared in accordance with the provisions of the Statutes of the College and of the University of Cambridge and applicable United Kingdom accounting standards. In addition, the financial statements comply with the Statement of Recommended Practice: Accounting for Further and Higher Education (the SORP).

The Statement of Comprehensive Income and Expenditure includes activity analysis in order to demonstrate that all fee income is spent for educational purposes. The analysis required by the SORP is set out in note 6.

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified in respect of the treatment of investments and operational properties which are included at valuation.

BASIS OF CONSOLIDATION

The consolidated financial statements include the College and its subsidiary undertakings. Details of the subsidiary undertakings included are set out in note 9. Intra-group balances are eliminated on consolidation.

The consolidated financial statements do not include the activities of student societies as these are separate bodies in which the College has no financial interest and over whose policy decisions it has no control.

RECOGNITION OF INCOME

Academic fees

Academic fees are recognised in the period to which they relate and include all fees chargeable to students or their sponsors. The costs of any fees waived or written off by the College are included as expenditure.

Grant income

Grants received from non-government sources (including research grants from non-government sources) are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income and performance related conditions have been met.

Income received in advance of performance related conditions is deferred on the balance sheet and released to the Consolidated Statement of Comprehensive Income and Expenditure in line with such conditions being met.



Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income. Income is retained within restricted reserves until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations and endowments with restrictions are classified as restricted reserves with additional disclosure provided within the notes to the accounts.

There are four main types of donations and endowments with restrictions:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments – the donor has specified a particular objective and the College can convert the donated sum into income.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Donations with no restrictions are recorded within the Consolidated Statement of Comprehensive Income and Expenditure when the College is entitled to the income.

Investment income and change in value of investment assets

Investment income and change in value of investment assets is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

Total return

The College operates a total return policy with regard to its endowment assets (including property). The endowment spending policy is specifically designed to stabilise annual spending levels and to preserve the real value of the endowment portfolio over time. The spending policy attempts to achieve these two objectives by using a long-term targeted spending rate combined with a smoothing rule, which adjusts spending gradually to changes in the endowment market value. The actual rate of spending for 2020 when measured against the previous year's market value was 4.4%.

Other income

Income is received from a range of activities including accommodation, catering conferences and other services rendered.

Cambridge Bursary Scheme

In 2019-20, payment of the Cambridge Bursaries has been made by the College to eligible students via the Student Loans Company (SLC) and the University of Cambridge has reimbursed the College for their portion. The College has shown the gross payment made to eligible students via the SLC and a contribution from the University as Income under "Academic Fees and Charges".

The net payment of £155,721 is shown within the Consolidated Statement of Comprehensive Income and Expenditure as follows:

Income (see note 1)	£63,918
Expenditure (see note 4)	£219,639

FOREIGN CURRENCY TRANSLATION

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at year end rates or, where there are forward foreign exchange contract, at contract rates. The resulting exchange differences are dealt with in the determination of the comprehensive income and expenditure for the financial year.

FIXED ASSETS

Land and Buildings

Buildings are stated at valuation, the aggregate surplus or deficit is transferred to a revaluation reserve included within Reserves.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

Freehold land is not depreciated as it is considered to have an indefinite useful life. A full asset valuation of the operational estate for accounts purposes was carried out by Gerald Eve LLP, Surveyors, as at 30 June 2016. Freehold buildings are depreciated on a straight line basis over their expected useful economic lives of 100, 50, or 20 years.



The earliest buildings, designed by William Wilkins, form a significant part of the Domus and are listed as Grade I⁶. All other buildings on the Domus come within the curtilage of those buildings and are therefore subject to some of the same restrictions. The Listing imposes an obligation to repair and restore. All repairs that restore value are capitalised, as are improvements. Other repairs are charged against income. For insurance purposes, the replacement cost of the buildings has been valued at £147.8 million.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of a fixed asset may not be recoverable.

Buildings under construction are valued at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

Land held specifically for development, investment and subsequent sale is included in current assets at the lower of cost and net realisable value.

The cost of additions to operational property shown in the balance sheet includes the cost of land. All other assets are capitalised and depreciated over their expected useful life as follows:

Library books	30 years
Furniture and equipment	10 years
Catering equipment	5 years
Information Technology	3 years

Leased assets

Leases in which the College assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance leases are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

Heritage assets

The College does not hold any assets that should be classed as heritage assets.

⁶ Details of the listing can be found at: <http://historicengland.org.uk/listing/the-list/results?q=Downing+College>

INVESTMENTS

Fixed asset investments are included in the balance sheet as follows:-

a) Securities

Securities are included at their open market value.

b) Works of Art

Works of art and silver are shown in the accounts at their market value as assessed by Townley Valuation Services Limited on 7 November 2017.

c) Subsidiary Undertakings

Investments in subsidiary undertakings are recorded at costs less any provision for impairment in value, and eliminated on consolidation.

d) Unlisted investments

Unlisted investments are carried at costs less any provision for permanent diminution in value, unless they are listed as a recognised stock exchange in which case their open market value is used, or there has been a more recent funding round in which case this value is used to value all investments made to the fund.

e) Property

Investment properties are included at open market valuation. An annual assessment was carried out by Carter Jonas as at 30 June 2020. The valuation is based on the assumptions and judgements which are impacted by a variety of factors including market and other economic conditions. Due to the unprecedented circumstances, the valuation is reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. A higher degree of caution is therefore attached to the valuations provided.

STOCKS

Stocks are stated at the lower of cost and net realisable value after making provision for slow moving and obsolete items.



PROVISIONS

Provisions are recognised when the College has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

CONTINGENT LIABILITIES AND ASSETS

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

TAXATION

The College is a registered charity (number 1137455) and also a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the College is exempt from taxation in respect of income or capital gains received within the categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax. The College is a partially exempt organisation for VAT purposes. With the approval of H M Revenue and Customs, it has adopted a methodology that enables it to recover part of the VAT on its expenses. Though recovered VAT significantly exceeds the VAT previously recoverable under the old CVCP Guidelines, input tax on purchases is, nevertheless, largely irrecoverable. In 2019-20, the College received £163,524 in refunds on purchases of £6.0 million.

The College's subsidiary companies, Downing College Developments Limited, Downing Cambridge Conferences Limited and The May Ball Company Limited are not subject to these exemptions and are liable for Corporation Tax. However, all taxable profits of the subsidiaries are gift aided to the College, thereby extinguishing any corporation tax that may be assessable.

CONTRIBUTION UNDER STATUTE G,II

The College is liable to be assessed for Contribution under the provisions of Statute G,II of the University of Cambridge. Contribution is used to fund grants to colleges from the Colleges Fund. The liability for the year is as advised to the College by the University based on an assessable amount derived from the value of the College's assets as at the end of the previous financial year.

PENSION COSTS

The College participates in the Universities Superannuation Scheme (the scheme). With effect from 1 October 2017, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The College is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the College therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme. Since the College has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the College recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The College participates in the Cambridge Colleges Federated Pension Scheme (CCFPS), a defined benefit scheme which is externally funded and until 31 March 2017 was contracted out of the State Second Pension (S2P). As CCFPS is a federated scheme and the College is able to identify its share of the underlying assets and liabilities, the College values the fund as required by Section 28 Employee Benefits of FRS102 'Retirement Benefits'. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the amount calculated under FRS102 guidelines.

The College also operates defined contribution pension schemes and the pension charge represents the amounts payable by the College to the funds in respect of the year.



CRITICAL ACCOUNTING JUDGEMENTS

FRS102 makes the distinction between a group pension plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss in accordance with section 28 of FRS 102. The Council and Governing Body are satisfied that the scheme provided by Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

All other accounting judgements and estimates are detailed under the appropriate accounting policy.

EMPLOYMENT BENEFITS

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

RESERVES

Reserves are allocated between restricted and unrestricted reserves. Endowment reserves include balances which, in respect of endowment to the College, are held as permanent funds, which the College must hold to perpetuity.

Restricted reserves include balances in respect of which the donor has designated a specific purpose and therefore the College is restricted in the use of these funds.



PRINCIPAL ACCOUNTING STATEMENTS



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2020

	Note	Unrestricted £000	Restricted £000	Endowment £000	2020 Total £000	Unrestricted £000	Restricted £000	Endowment £000	2019 Total £000
Income									
Academic fees and charges	1	3,549	—	—	3,549	3,466	—	—	3,466
Residences, catering and conferences	2	5,141	—	—	5,141	6,689	—	—	6,689
Investment income	3	14	—	899	913	8	—	1,000	1,008
Endowment return transferred	3	1,131	1,063	(2,194)	—	1,113	960	(2,073)	—
Other income		489	—	—	489	77	—	—	77
Total income before donations and endowments		10,324	1,063	(1,295)	10,092	11,353	960	(1,073)	11,240
Donations		1,779	1,760	—	3,539	287	299	—	586
New endowments		—	2,553	881	3,434	—	47	2,373	2,420
Other capital grants for assets		—	17	—	17	—	34	—	34
Total income		12,103	1,340	(414)	17,082	11,640	1,340	1,300	14,280
Expenditure									
Education	4	4,161	1,035	—	5,196	4,070	978	—	5,048
Residences, catering and conferences	5	7,580	5	—	7,585	7,379	2	—	7,381
Other expenditure		(296)	162	52	(82)	1,017	1	29	1,047
Total expenditure	6	11,445	1,202	52	12,699	12,466	981	29	13,476
Surplus/(deficit) before other gains and losses		658	4,191	(466)	4,383	(826)	359	1,271	804
Gain on investments		(199)	(16)	974	759	52	4	1,193	1,249
Surplus for the year		459	4,175	508	5,142	(774)	363	2,464	2,053
Other comprehensive income									
Actuarial gain / (loss) in respect of pension schemes	15	(314)	—	—	(314)	(207)	—	—	(207)
Total comprehensive income for the year		145	4,175	508	4,828	(981)	363	2,464	1,846

The notes on pages 80 to 105 form part of these accounts

STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 30 JUNE 2020

	Note	Income and expenditure reserve				Total
		Unrestricted £000	Restricted £000	Endowment £000	Revaluation reserve £000	£000
Balance at 1 July 2019		125,755	2,348	33,600	35,530	197,233
Surplus from income and expenditure statement		459	4,175	508	—	5,142
Other comprehensive income		(314)	—	—	—	(314)
Release of restricted capital funds spent in year		17	(17)	—	—	—
Transfers between reserves		366	—	—	(366)	—
Balance at 30 June 2020		126,283	6,506	34,108	35,164	202,061

	Note	Income and expenditure reserve				Total
		Unrestricted £000	Restricted £000	Endowment £000	Revaluation reserve £000	£000
Balance at 1 July 2018		126,336	2,019	31,136	35,896	195,387
Surplus from income and expenditure statement		(774)	363	2,464	—	2,053
Other comprehensive income		(207)	—	—	—	(207)
Release of restricted capital funds spent in year		34	(34)	—	—	—
Transfers between reserves		366	—	—	(366)	—
Balance at 30 June 2019		125,755	2,348	33,600	35,530	197,233

The notes on pages 80 to 105 form part of these accounts

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2020

	Note	2020 £000	2019 £000
Non-current assets			
Fixed Assets	8	160,290	159,104
Investments	9	65,988	56,688
		226,278	215,792
Current Assets			
Investments		650	—
Stocks		176	193
Trade and other receivables	10	5,107	946
Cash and cash equivalents	11	6,052	1,288
		11,985	2,427
Creditors: amounts falling due within one year	12	(3,121)	(3,243)
Net current liabilities		8,864	(815)
Total assets less current liabilities		235,142	214,976
Creditors: amounts falling due after more than one year	13	(30,500)	(15,000)
Provisions			
Pension provisions	14	(2,581)	(2,743)
Total net assets		202,061	197,233
Restricted reserves			
Income and expenditure reserve – endowment reserve	15	34,108	33,600
Income and expenditure reserve – restricted reserve	16	6,506	2,348
		40,614	35,948
Unrestricted reserves			
Income and expenditure reserve – unrestricted		126,283	125,755
Revaluation reserve		35,164	35,530
		161,447	161,285
Total reserves		202,061	197,233

The financial statements were approved by the Governing Body on 27 November 2020 and signed on its behalf by:



Alan Bookbinder, Master

The notes on pages 80 to 105 form part of these accounts

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 £000	2019 £000
Surplus for the year		5,142	2,053
Adjustment for non-cash items			
Depreciation		2,165	2,042
Gain on Endowments, Donations and Investment Property		(707)	(1,220)
(Increase) / decrease in stocks		17	(23)
(Increase) / decrease in trade and other receivables		(4,811)	(217)
Increase / (decrease) in creditors		(591)	224
Pension costs less contributions payable		(477)	734
Adjustment for investing or financing activities			
Investment income		(913)	(1,008)
Interest payable		691	598
Profit of disposal of non-current fixed assets		—	—
Net cash inflow from operating activities		516	3,183
Proceeds from sales of non-current fixed assets		—	—
Non-current investment disposal		—	—
Investment income		2,247	2,330
Endowment funds invested		(9,472)	(2,453)
Withdrawal of deposits		—	—
Payments made to acquire non-current assets		(3,350)	(5,209)
Cash flows from investing activities		(10,575)	(5,332)
Interest received		14	3
Interest paid		(691)	(598)
New unsecured loan		20,000	2,500
Repayment of loans		(4,500)	—
Cash flows from financing activities		14,823	1,905
Increase/(decrease) in cash and cash equivalents in the year		4,764	(244)
Cash and cash equivalents at beginning of the year		1,288	1,532
Cash and cash equivalents at end of the year	18	6,052	1,288

The notes on pages 80 to 105 form part of these accounts



NOTES TO THE ACCOUNTS



NOTES TO THE ACCOUNTS

1. Academic Fees and Charges		2020 £000	2019 £000
College fees:			
Fee income received at the regulated undergraduate rate		1,790	1,760
Fee income received at the unregulated undergraduate rate		595	676
Fee income received at the graduate rate		1,091	918
		3,476	3,354
Cambridge Bursaries Income		64	64
Research/Teaching Grants		4	34
Other income		5	14
Total		3,549	3,466

2. Income from accommodation, catering and conferences		2020 £000	2019 £000
Accommodation	College Members	2,275	3,128
	Conferences	1,011	1,392
	International programmes	250	124
Catering	College Members	587	794
	Conferences	918	1,155
	International programmes	100	96
Total		5,141	6,689

3. Endowment return and Investment Income		2020 £000	2018 £000
3a. Analysis			
Total return contribution (see note 3b)		2,194	2,073
Current asset investment		—	5
Other interest receivable		14	3
		2,208	2,081



NOTES TO THE ACCOUNTS CONTINUED

3b. Summary of Total Return	2020 £000	2019 £000
Income from:		
Land and buildings	887	948
Quoted and other securities and cash	12	53
Gains/(losses) on investment assets:		
Land & Buildings	(430)	(1,161)
Quoted and other securities and cash	1,189	2,410
Investment management costs (see note 3c)	(52)	(29)
Total return for year	1,606	2,221
Total return transferred to income and expenditure reserve	(2,194)	(2,073)
Unapplied total return for year included within Statement of Comprehensive Income and Expenditure (see note 17)	(588)	148

3c. Investment Management Costs	2020 £000	2019 £000
Land and buildings	18	18
Quoted and other securities and cash	34	11
Total	52	29

4. Education expenditure	2020 £000	2019 £000
Teaching	2,371	2,324
Tutorial	766	753
Admissions	715	729
Research	226	219
Scholarships and awards	523	454
Other educational facilities	595	569
Total	5,196	5,048

Included within Scholarships and Awards are payments under the Cambridge Bursary Scheme amounting to £219,639 (2019 - £198,580).

NOTES TO THE ACCOUNTS CONTINUED

5. Accommodation, catering and conferences expenditure

		2020 £000	2019 £000
Accommodation	College Members	3,681	3,453
	Conferences	1,629	1,593
Catering	College Members	996	1,058
	Conferences	1,279	1,277
Total		7,585	7,381

Conference expenditure above is on a fully-costed basis, which includes a significant contribution to the absorption of overheads. However, on a direct cost basis the conference profit would be £703,860 (2019 - £1,173,627).

6. Analysis of Expenditure by Activity

6a) Analysis of 2019/2020 expenditure by activity	Staff Costs (Note 8) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education	2,482	2,188	526	5,196
Accommodation, catering and conferences	3,446	2,519	1,620	7,585
Other	(370)	269	19	(82)
	5,558	4,976	2,165	12,699

6b) Analysis of 2018/2019 expenditure by activity	Staff Costs (Note 7) £000	Other Operating Expenses £000	Depreciation £000	Total £000
Education	2,316	2,245	487	5,048
Residences, catering and conferences	3,275	2,569	1,537	7,381
Other	806	223	18	1,047
	6,397	5,037	2,042	13,476

The above expenditure includes £491,895 as the direct cost of fundraising (2019 - £525,409). This expenditure includes the costs of alumni relations.

6b) Auditors' remuneration	2020 £000	2019 £000
Other operating expenses include:		
Audit fees payable to the College's external auditors	19	19
Other fees payable to the College's external auditors	3	3

NOTES TO THE ACCOUNTS CONTINUED

7. Staff Costs	College Fellows £000	Non-Academics £000	Total 2020 £000	Total 2019 £000
Staff Costs				
Emoluments	1,177	4,042	5,219	4,914
Social Security Costs	48	314	362	365
Other Pension Costs	(65)	42	(23)	1,118
	1,160	4,398	5,558	6,397
Average Staff Numbers (Full-time Staff Equivalents)	No	No	No	No
Academic	45	—	45	47
Non-Academic	2	144	146	140
Total	47	144	191	187

The Governing Body comprises 47 Fellows, of which 43 are stipendiary.

No officer or employee of the College, including the Head of House, received emoluments of over £100,000.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the College. Therefore the Trustees who include the Master, Senior Bursar, Vice-Master, Secretary to the Governing Body and Senior Tutor are the key management personnel.

	2020 £000	2019 £000
Aggregate Emoluments	187	181

Trustees received no emoluments in their capacity as Trustees of the Charity.

NOTES TO THE ACCOUNTS CONTINUED

8. Tangible Fixed Assets

Group and College	College Buildings and Site £000	Furniture fittings and equipment £000	Library Books £000	Total £000
Cost				
As at 1 July 2019	160,630	9,390	966	170,986
Additions at cost	2,553	756	41	3,350
Disposals	—	—	—	—
Revaluation	—	—	—	—
As at 30 June 2020	163,183	10,146	1,007	174,336
Depreciation				
As at 1 July 2019	4,363	7,054	464	11,881
Charge for the year	1,573	559	33	2,165
Disposals	—	—	—	—
Revaluation	—	—	—	—
As at 30 June 2020	5,936	7,613	497	14,046
Net Book value				
As at 30 June 2020	157,247	2,533	510	160,290
As at 1 July 2019	156,266	2,335	503	159,104

The insured value of freehold land and buildings as at 30 June 2020 was £158,069,047 (2019 - £147,814,954).

The value of the land, included in College Buildings and Site, as at 30 June 2020 was £54,520,272 (2019 - £54,520,272).



NOTES TO THE ACCOUNTS CONTINUED

9. Investments Consolidated and College	2020 £000	2019 £000
As at 1 July	56,688	54,100
Additions	9,936	9,374
Disposals	(5,189)	(9,855)
Gains	2,137	1,921
Increase / (decrease) in cash balances held at fund managers	2,416	1,148
As at 30 June	65,988	56,688

Represented by:

Property	14,012	14,442
Securities	41,343	34,031
Cash with agents	3,432	1,339
Works of art	5,283	5,281
Over distribution of market value of funds	1,458	1,135
Investment in Cambridge Colleges Funding Plc	5	5
Investment in Cambridge Colleges Funding II Plc	5	5
Land	450	450
Total	65,988	56,688

Subsidiary Company

At 30 June 2019 Downing College held an investment in the following companies:

Subsidiary Undertaking	Holding	Proportion of voting rights	Country of Incorporation
Downing College Developments Limited	Ordinary	100%	United Kingdom
Downing Cambridge Conferences Limited	Ordinary	100%	United Kingdom
The May Ball Company Limited	Ordinary	100%	United Kingdom

Downing College Developments Limited was incorporated on 20 January 1999. The principal activity of the company is development of student accommodation and other facilities. This company is included in these consolidated financial statements.

Downing Cambridge Conferences Limited was incorporated on 2 April 2007. The principal activity of the company is the provision of non-educational conference facilities. This company is included in these consolidated financial statements.

The May Ball Company Limited was incorporated on 28 July 2010. The principal activity of the company is to administer the operation of the biennial College May Ball. This company is included in these consolidated financial statements.

NOTES TO THE ACCOUNTS CONTINUED

10. Trade and other receivables

	Consolidated 2020 £000	College 2020 £000	Consolidated 2019 £000	College 2019 £000
Members of the College	16	16	77	77
Amounts due from subsidiary companies	—	1,233	—	1,552
University fees	—	—	—	—
Other receivables	811	811	600	276
Prepayments	4,280	4,280	269	269
Total	5,107	6,340	946	2,174

11. Cash and cash equivalents

	Consolidated 2020 £000	College 2020 £000	Consolidated 2019 £000	College 2019 £000
Bank deposits	5,206	5,206	4	4
Current accounts	845	77	1,283	346
Cash in hand	1	1	1	1
Total	6,052	5,284	1,288	351

12. Creditors: amounts falling due within one year

	Consolidated 2020 £000	College 2020 £000	Consolidated 2019 £000	College 2019 £000
Trade creditors	674	657	997	978
Members of the College	232	232	199	199
Amounts due to subsidiary companies	—	—	—	—
University fees	13	13	—	—
Other creditors	2,202	1,911	2,047	1,650
Total	3,121	2,813	3,243	2,827



NOTES TO THE ACCOUNTS CONTINUED

13. Creditors: amounts falling due after more than one year

	Consolidated 2020 £000	College 2020 £000	Consolidated 2019 £000	College 2019 £000
Long term bank loan	5,500	5,500	5,500	5,500
Other loans	25,000	25,000	9,500	9,500
Total	30,500	30,500	15,000	15,000

The long term bank loan is due for repayment in 2048 at a fixed interest rate of 4.64%.

During 2013-14 the College borrowed £5m from institutional investors in a private placement done collectively with other Colleges, although each College's loan is separate from those of the others. The loans are unsecured and repayable during the period 2043-53 and are at fixed interest rates of approximately 4.4%. The College has agreed a financial covenant of the ratio of borrowings to net assets, and has been in compliance with the covenant at all times since incurring the debt.

During 2016-17, the College borrowed £2m from the bank as an unsecured loan for a period of 10 years at a fixed interest rate of 3.07%. This was repaid during the year.

During 2018-19, the College borrowed £2.5m from the bank as an unsecured loan for a period of 10 years at a fixed interest rate of 3.30%. This was repaid during the year.

During 2019-20, the College borrowed £20m from an institutional investor in a private placement. The loan is unsecured and repayable in 2069 at a fixed interest rate of 2.05%.

14. Pension provisions

Group and College	CCFPS £000	USS £000	2020 £000	2019 £000
Balance at beginning of year	1,677	1,066	2,743	1,801
Movement in year:				
Current service cost	16	—	16	13
Contributions	(54)	(25)	(79)	(79)
Change in expected contribution	—	720	720	720
Other finance cost	38	17	55	47
(Gain)/loss on plan changes	—	—	—	32
Actuarial (gain) / loss	314	—	314	207
Balance at end of year	1,991	1,065	2,581	2,743

NOTES TO THE ACCOUNTS CONTINUED

15. Endowment funds

Restricted net assets relating to endowments are as follows:

Consolidated and College	Restricted permanent endowments £000	Unrestricted permanent endowments £000	2020 Total £000	2019 Total £000
Balance at beginning of year				
Capital	23,252	10,348	33,600	31,136
New donations and endowments	862	19	881	2,373
Increase in market value of investments	(269)	(104)	(373)	91
Transfers between reserves	—	—	—	—
Balance at end of year	23,845	10,263	34,108	33,600
Analysis by type of purpose:				
Fellowship Funds	7,556	—	7,556	7,633
Scholarship Funds	6,746	525	7,271	7,356
Prize Funds	441	22	463	469
Hardship Funds	2,208	—	2,208	1,610
Bursary Funds	44	—	44	44
Grant Funds	4,677	10	4,687	4,712
Other Funds	2,173	1,563	3,736	3,309
General Funds	—	8,143	8,143	8,467
	23,845	10,263	34,108	33,600
Analysis by asset				
Property	6,276	2,701	8,977	9,183
Investments	15,950	6,865	22,815	23,521
Cash	1,619	697	2,316	896
	23,845	10,263	34,108	33,600



NOTES TO THE ACCOUNTS CONTINUED

16. Restricted funds

Consolidated and College	Capital grants unspent £000	Permanent unspent and other restricted income £000	Restricted expendable endowment	2020 Total £000	2019 Total £000
Balance at beginning of year					
Capital	—	—	1,425	1,425	1,361
Accumulated income	—	923	—	923	658
	—	923	1,425	2,348	2,019
New grants	17	—	—	17	34
New donations	—	4,311	2	4,313	346
Investment income	—	1,001	62	1,063	960
Increase in market value of investments	—	—	(16)	(16)	4
Expenditure	—	(1,143)	(59)	(1,202)	(981)
Capital grants utilised	(17)	—	—	(17)	(34)
Balance at end of year	—	5,092	1,414	6,506	2,348
Comprising Capital	—	5,092	—	5,092	1,425
Accumulated income	—	—	1,414	1,414	923
	—	5,092	1,414	6,506	2,348

Analysis of other restricted funds/donations by type of purpose

Fellowship Funds	—	992	—	992	288
Scholarship Funds	—	154	186	340	320
Prize Funds	—	22	—	22	20
Hardship Funds	—	1,804	—	1,804	7
Bursary Funds	—	2,091	889	2,980	1,354
Other Funds	—	29	339	368	359
	—	5,092	1,414	6,506	2,348

NOTES TO THE ACCOUNTS CONTINUED

17. Memorandum of Unapplied Total Return

	2020 £000	2019 £000
Unapplied total return at beginning of year	16,408	16,260
Unapplied total return for the year	(588)	148
Unapplied total return at end of year	15,820	16,408

18. Reconciliation and analysis of net debt

	At 1 July 2019 £000	Cash Flows £000	New finance leases £000	Other non- cash changes £000	At 30 June 2020 £000
Cash and cash equivalents	1,288	4,764	—	—	6,052
Borrowings:					
Amount falling due after more than one year:					
Unsecured loans	(15,000)	(15,500)	—	—	(30,500)
Total net debt	(13,712)	(10,736)	—	—	(24,448)

19. Financial instruments

	2020 £000	2019 £000
Financial assets at fair value through Statement of Comprehensive income		
Listed equity investments (note 9)	41,343	34,031
Financial assets that are debt instruments measured at amortised cost		
Cash and cash equivalents (note 9 and 11)	9,484	2,627
Other equity investments (note 9)	10	10
Other debtors (note 10)	396	615
Financial liabilities		
Financial liabilities measured at amortised cost		
Loans (note 13)	30,500	15,000
Trade creditors (note 12)	674	997
Other creditors (note 12)	1,985	1,689

20. Capital commitments

	2020 £000	2019 £000
Capital commitments at 30 June 2019 are as follows -		
Authorised and contracted	4,487	1,352
Authorised but not yet contracted for	380	—



NOTES TO THE ACCOUNTS CONTINUED

21. Financial Commitments

	2020 £000	2019 £000
At 30 June 2020, the College had annual commitments under non-cancellable operating leases as follows:		
Land and buildings:		
Expiring within one year	40	9
Expiring between two and five years	37	37
Other:		
Expiring within one year	5	7
Expiring between two and five years	4	2

22. Pension Schemes

In addition to the defined contribution scheme for assistant staff the College participates in two defined benefit schemes, the Universities Superannuation Scheme (USS), and the Cambridge Colleges Federation Pension Scheme (CCFPS). The total pension cost for the year ended 30 June was as follows:

	2020 £000	2019 £000
USS: Contributions	294	264
CCFPS: Charged to income and expenditure account	54	54
Other pension schemes: Contributions	163	116
	511	434

Universities Superannuation Scheme

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date, which was carried out using the projected unit method). A valuation as at 31 March 2020 is underway but not yet complete.

Since the College cannot identify its share of the USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ration of 95%.

NOTES TO THE ACCOUNTS CONTINUED

22. Pension Schemes continued

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21 +: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018 valuation
Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females Post retirement: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2018 Valuation	2017
Valuation	24.6	24.5
Males currently aged 65 (years)	24.6	24.6
Females currently aged 65 (years)	26.1	26.1
Males currently aged 45 (years)	26.6	26.6
Females currently aged 45 (years)	27.9	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2020	2019
Discount rate	0.73%	1.58%
Pensionable salary growth	2.00%	2.00%



NOTES TO THE ACCOUNTS CONTINUED

22. Pension Schemes continued

Cambridge Colleges' Federated Pension Scheme

The College is also a member of a multi-employer defined benefits scheme, the Cambridge Colleges Federated Pension Scheme (CCFPS). The liabilities of the plan have been calculated, at 30 June 2019, for the purposes of FRS102 using a valuation system designed for the Management Committee, acting as Trustee of the Cambridge Colleges' Federated Pension Scheme, but allowing for the different assumptions required under FRS102 and taking fully into consideration changes in the plan benefit structure and membership since that date.

The principal actuarial assumptions at the balance sheet date were as follows:

	2020 % p.a.	2019 % p.a.
Discount rate	1.45	2.25
Increase in salaries	2.70	2.90
Retail Price Index (RPI) assumption	3.10	3.40
Consumer Price Index (CPI) assumption	2.20	2.40
Pension increases in payment (RPI max 5% p.a.)	3.00	3.30
Pension increases in payment (CPI max 2.5%)	1.80	1.0

The underlying mortality assumption is based upon the standard table known as S3PA on a year of birth usage with CMI_2019 future improvement factors and a long-term rate of future improvement of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements (2019: S3PA with CMI_2018 future improvement factors and a long term future improvement rate of 1.25% per annum, a standard smoothing factor (7.0) and no allowance for additional improvements). This results in the following life expectancies:

- Male aged 65 now has a life expectancy of 21.9 years (previously 21.8 years)
- Female age 65 now has a life expectancy of 24.2 years (previously 24.0 years)
- Male age 45 now and retiring in 20 years has a life expectancy of 23.2 years (previously 23.1 years)
- Female age 45 now and retiring in 20 years would have a life expectancy of 25.6 years (previously 25.5 years)

Members are assumed to retire at their normal retirement age (65) apart from in the following cases:

	Male	Female
Active Members – Option 1 Benefits	65	63
Deferred Members – Option 1 Benefits	62	60

Allowance has been made at retirement for non-retired members to commute part of their pension for a lump sum on the basis of the current commutation factors in these calculations

NOTES TO THE ACCOUNTS CONTINUED

22. Pension Schemes continued

Employee Benefit Obligations

The amounts recognised in the balance sheet as at 30 June 2020 (with comparative figures as at 30 June 2019) are as follows:

	2020 £000	2019 £000
Market value of scheme assets	(7,600)	(7,049)
Present value of scheme liabilities	5,609	5,372
Net defined benefit (liability)	(1,991)	(1,677)

The amounts recognised in the income and expenditure account for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

	2020 £000	2019 £000
Current service cost	16	15
Interest on net defined benefit liability	38	39
Total charge	54	54

Changes in the present value of the scheme liabilities for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

	2020 £000	2019 £000
Present value of scheme liabilities at beginning of period	7,049	6,439
Current service cost (including employee contributions)	5	4
Benefits paid	(233)	(180)
Interest on scheme liabilities	156	171
(Gain)/loss on plan changes	—	32
Actuarial (gains) / losses	623	583
Present value of Scheme liabilities at end of period	7,600	7,049



NOTES TO THE ACCOUNTS CONTINUED

22. Pension Schemes continued

Changes in the fair value of scheme assets for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

	2020 £000	2019 £000
Market value of scheme assets at beginning of period	5,372	5,000
Contributions paid by the College	54	54
Employee contributions	1	1
Benefits paid	(250)	(195)
Interest on scheme assets	118	132
Return on assets, less interest included in profit and loss	314	380
Market value of Scheme assets at end of period	5,609	5,372
Actual return on scheme assets	432	513

The major categories of scheme assets as a percentage of total Scheme assets at 30 June 2020 (with comparative figures at 30 June 2019) are as follows:

	2020	2019
Equities	49%	57%
Bonds & Cash	41%	34%
Properties	10%	9%
Total	100%	100%

The plan has no investments in property occupied by, assets used by or financial instruments issued by the College.

NOTES TO THE ACCOUNTS CONTINUED

22. Pension Schemes continued

Analysis of the remeasurement of the net defined benefit liability recognised in Other Comprehensive Income (OCI) for the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

	2020 £000	2019 £000
Actuarial return less expected return on scheme assets	314	380
Experience gains and losses arising on scheme liabilities	37	13
Changes in assumptions underlying the present value of scheme liabilities	(665)	(600)
Actuarial gain / (loss) recognised in OCI	(314)	(207)

Movement in net defined benefit liability during the year ending 30 June 2020 (with comparative figures for the year ending 30 June 2019) are as follows:

	2020 £000	2019 £000
Deficit in scheme at beginning of year	(1,677)	(1,438)
Recognised in Profit and Loss	(54)	(87)
Contributions paid by the College	54	53
Actuarial gain recognised in SOCIE	(314)	(207)
Deficit in scheme at the end of the year	(1,991)	(1,677)



NOTES TO THE ACCOUNTS CONTINUED

22. Pension Schemes continued

Funding Policy

Actuarial valuations are carried out every three years on behalf of the Management Committee, acting as the Trustee of the Scheme, by a qualified independent actuary. The actuarial assumptions underlying the actuarial valuation are different to those adopted under FRS102.

The last such valuation was as at 31 March 2017. This showed that the plan's assets were insufficient to cover the liabilities on the funding basis. A Recovery Plan has been agreed with the College, which commits the College to paying contributions to fund the shortfall. These deficit reduction contributions are incorporated into the plan's Schedule of Contributions dated 28 June 2018 and are as follows:

- Annual contributions of not less than £39,105 p.a. payable for the period from 1 July 2018 to 30 April 2031.

These payments are subject to review following the next funding valuation, due as at 31 March 2020.

Defined Contribution Pension Schemes

The College operates a defined contribution pension scheme in respect of certain employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the College amounting to £162,754 (2019 - £116,113) of which £31,505 (2019 - £22,436) was outstanding at the year end.

NOTES TO THE ACCOUNTS CONTINUED

23. Contingent Liabilities

As disclosed in note 21, with effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a “last man standing” scheme so that in the event of an insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

24. Related Party Transactions

Owing to the nature of the College’s operations and the composition of its Governing Body, it is inevitable that transactions will take place with organisations in which a member of the Governing Body has an interest. All transactions involving organisations in which a member of the Governing Body may have an interest are conducted at arm’s length and in accordance with the College’s normal procedures.

The College maintains a register of interests for all College Council members and where any member of the College Council has a material interest in a College matter they are required to declare that fact.

During the year no fees or expenses were paid to Fellows in respect of their duties as Trustees.

Fellows are remunerated for teaching, research and other duties within the College. Fellows are billed for any private catering. The Trustees remuneration is overseen by a Remuneration Committee.

The salaries paid to Trustees in the year are summarised in the table below:

From	To	2019-20 Number	2018-19 Number
9	10,000	33	33
10,001	20,000	9	7
20,001	30,000	2	3
30,001	40,000	2	5
40,001	50,000	2	-
50,001	60,000	1	1
60,001	70,000	-	-
70,001	80,000	-	1
80,001	90,000	1	-
90,001	100,000	1	1
		51	51



NOTES TO THE ACCOUNTS CONTINUED

24. Related Party Transactions continued

The total Trustee salaries were £704,854 for the year (2018/19 - £704,601).

The Trustees were also paid other taxable benefits (including associated employer National Insurance contributions and employer contributions to pensions) which totalled £169,968 for the year (2018/19 - £160,928).

The College has a number of trading subsidiary undertakings which are consolidated into these accounts. All subsidiary undertakings are 100% owned by the College and are registered and operating in England and Wales.

The College has taken advantage of the exemption within section 33 of FRS 102 not to disclose transactions with wholly owned group companies that are related parties.

25. Sir Mortimer Singer Fund

Other Unrestricted Funds includes the Sir Mortimer Singer Fund which was funded from a bequest of Sir Mortimer Singer, a Fellow Commoner of the College. The money was appointed to the College by Lady Singer upon the trusts declared by a deed dated 25 March 1952. The Pension Trust Fund was also set up from this bequest. Below are the movements on these Funds in the year.

	Singer Fund £000	Pension Trust £000
Opening Balance at 1 July 2019	6,909	255
Income	183	11
Expenditure	—	(11)
Change in Market Value of Investments	(49)	(3)
Closing Balance at 30 June 2020	7,043	252

NOTES TO THE ACCOUNTS CONTINUED

26. Analysis of Movement in Total Funds

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Alcan Prize Fund	—	11
Angharad John Fellowship	—	337
Alwyn Heong Fund	—	288
Barry Moore Economics Prize Fund	—	16
Bathey Fund	—	10
Beinan Lu Fund	—	3
B J Everitt Prize Fund	—	18
Blankenship Book Fund	—	14
Blankenship Law Fund	—	28
Bradbrook Fund	—	13
Brammer Fellowship in Geography	650	650
Buchanan Fund	—	279
Charles Campbell Book Fund	—	4
S M and H Haniff Prize	—	35
Cockerell Fund	—	26
Collins Fund	—	221
Darley Fund	—	343
Darley Sands Postgraduate Studentship	99	276
Downing Association Fund	—	44
Edward Collins Fund	—	130
Ernest William Denham Fund	—	31
Everitt Fund	—	2
Everitt Butterfield Fund	13	1,185
Fahrenwaldt Fund	—	15
Ferreras Willetts Fund	—	315
Florence & David Jacobs Memorial Prize	—	8
Fritsch Fund	—	496
Fu Fund	—	5
Carried forward	762	4,803



NOTES TO THE ACCOUNTS CONTINUED

26. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	762	4,803
Gamlingay Fund	—	88
Geoffrey Grimmett Prize	—	7
Gelber Bequest	—	11
Graystone Fund	—	198
Gulbenkian Fund	—	2
Hall Fund	—	12
Harold Hargreaves Prize	—	6
Harris Fund	—	502
Harrison Prize Fund	—	3
Hopkins Parry Fund	—	1,205
John Hopkins Fund	130	235
John Hopkins Supervision Fund	4	265
John Miller Scholarships	1,700	1,700
Hugh Brammer Fund	—	76
Ivor Evans Fund	—	24
Jan Hruska Fund	—	288
Jean Ruhman Fund	—	11
John Hawkins Mays Wild Fund	—	9
John Maples America Fund	—	171
Joseph Tcheng Prize	—	11
Johnston Fund	—	2
Judy Petty Book Prize & Scholarship	—	24
Kim Silverman Research Fellowship	—	918
Percy Lander Research Fund	—	299
Lander Fund	—	12
Landrum & Brown Scholarship Fund	—	15
Lord Butterfield Fund	—	191
Carried forward	2,596	11,088

NOTES TO THE ACCOUNTS CONTINUED

26. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	2,596	11,088
Mays Wild Fund	—	710
Matthews/Mckinley Travel Fund	15	15
Alfred Monk Fund	—	271
John H Morrison Prize in Law	—	29
Moullin Fund	—	3
Oon Khye Beng Ch'hia Tsio Memorial Fund	—	492
Oon Khye Beng Ch'hia Tsio Memorial Prize Fund	—	152
Professor Gabriel Oon Prize	—	6
Osler Fund	—	112
Owens Fund	—	424
Peter Mathias Economics Prize Fund	—	2
Pilley Fund	—	401
Platt Fund	—	33
Poulton Fund	600	600
Professor Audus Botanical Fund	—	18
Richards Fund	—	59
Robertson Research Fellowship Fund	—	876
Robson Physics Prize	—	8
Robson Postgraduate Fund	—	333
Saint Fund	—	47
Saunders Fund	—	48
Savile Fund	—	149
Schreiner Fund	—	72
Seton Fund	—	84
Seton Cavendish Fund	—	2,339
Sir Arthur Watts Choral Awards	—	14
Stephen Peel Fellowship Fund	—	338
Carried forward	3,211	18,723



NOTES TO THE ACCOUNTS CONTINUED

26. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	3,211	18,723
Stevens Fund	—	5
Susan & Geoffrey Eggington Scholarship	—	18
Sutcliffe Legacy	12	657
TG Jones Fund	—	823
Thomas Fund	—	21
Thrower Fund	5	70
Treherne Fund	—	114
Unwin Fund	—	65
Verjee Fund	—	305
Verney Fund	—	1
Warner—Lambert Fund	—	295
Whitby Memorial Fund	—	445
White Fund	—	8
Whitelegg Fund	—	63
Whitworth Fund	—	2,317
Wicks Travel Fund	—	16
Williams Downing Fund	6	422
Wilsey & Lerch Scholarship in Economics	—	69
Wyatt Fund	—	2
Postgraduate Studentship Fund	1	3
Student Hardship Endowment	7	382
Student Support Endowment	110	643
1970 Grant Fund	—	83
Alumni Sport Fund	—	59
Fundraising - Teaching	11	195
Fundraising - Access	35	666
Catalysis - Teaching & Learning	4	183
Carried forward	3,402	26,653

NOTES TO THE ACCOUNTS CONTINUED

26. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Restricted Permanent Funds</i>		
Brought forward	3,402	26,653
Catalysis - Research & Discovery	—	16
Catalysis - Heritage & Environment	3	39
Catalysis - Support & Services	9	246
Catalysis - Culture & Community	—	12
Other	1	66
	3,415	27,032
<i>Restricted expendable</i>		
Bartram Fund	—	142
Colin Hill Fund	—	1
Colonel Anderson Trust Fund	—	115
Goodey Fund	—	185
Richens Fund	—	653
Treherne Prize Fund	—	16
Student Hardship (Spend Down)	1	1
The Great Tradition	1	95
Catalysis Research Fund	—	172
Downing Enterprise	49	161
1717 Fund	98	—
Voellm-Hruska Studentship	—	125
Tazaki Studentship	1,000	1,000
Fundraising – Buildings	—	52
Other	630	601
	1,779	3,319
Total Restricted Funds	5,194	30,351



NOTES TO THE ACCOUNTS CONTINUED

26. Analysis of Movement in Total Funds continued

	Donations £000	Closing Balance £000
<i>Unrestricted Permanent Funds</i>		
Clark Fund	—	2
French Fund	—	37
Jarvis Fund	—	45
Library Endowment Fund	—	1,248
Richmond Fund	—	234
Stenning Fund	—	63
Stevenson Fund	—	1
Whalley—Tooker Fund	—	19
Yates Fund	—	10
Young Fund	—	209
Singer Fund (Pension Trust)	—	252
Smyth Bequest	—	561
Fleet Bequest	—	60
Deryk Prosser Fund	—	482
Corporate Capital Fund	—	1,031
General Capital	—	6,009
	—	10,263
<i>Unrestricted</i>		
Designated Buildings	—	122,083
Corporate Capital Fund	—	19,753
Singer Fund (Will Trust)	—	7,043
General Capital and Other	1,781	(24,483)
Revaluation Reserves	—	39,632
Pension Reserves	—	(2,581)
	1,781	161,447
Total Unrestricted Funds	1,781	171,710
Total Reserves	6,975	202,061



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